VIRGINIA SLIMS

Database Planning 1999

It's a *planning* thing.

July 16, 1998

Leo Burnett

2071243409

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Purpose

- Review 1997-98 program results and learnings
  - 1999 Direct Mail discussion

- Learnings will be applied to brand objectives in developing 1999 mail and marketing plan
  - Initial mail plan work session 7/28
  - Mail plan presented on 8/7

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Business Overview

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Using Direct to Meet 1998 Brand Objectives

- Slims strategy for 1998 has focused on:
  - Maintain current franchise
    - Reward loyalty with continuity and value-added offers
    - Reinforce Slims equity message - fashion/entertainment/organization
  - Reach a broader audience of female smokers
    - Generate trial with coupons, especially among competitive and YAF audiences
    - Inclusion of Multibrand channeled smokers
    - Encourage repeat purchase with coupons and value-added offers
  - Generate new names and update existing names on database
    - Inclusion of surveys and RAF
    - Direct mail support of event name generation

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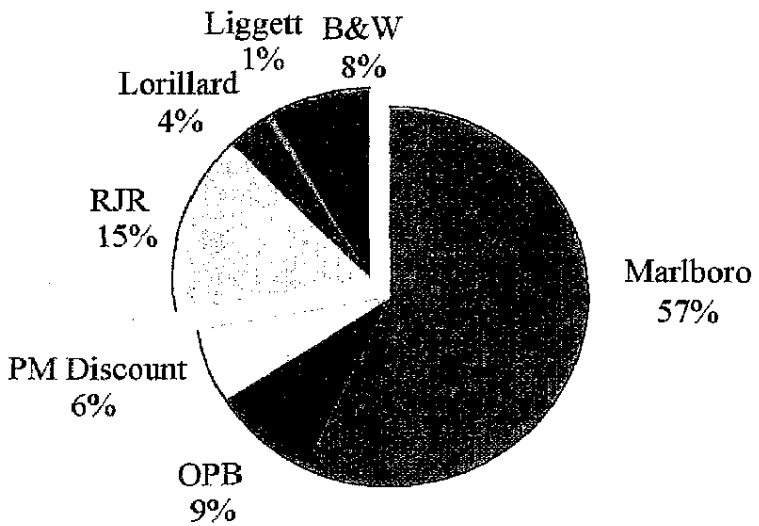
PM Database Snapshot

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Database Population - Manufacturer

- Almost 3/4 of the 27.5MM available qualified branded adult smokers on the PM database smoke a PM brand
- 9% of the PM database population reports an OPB as regular brand



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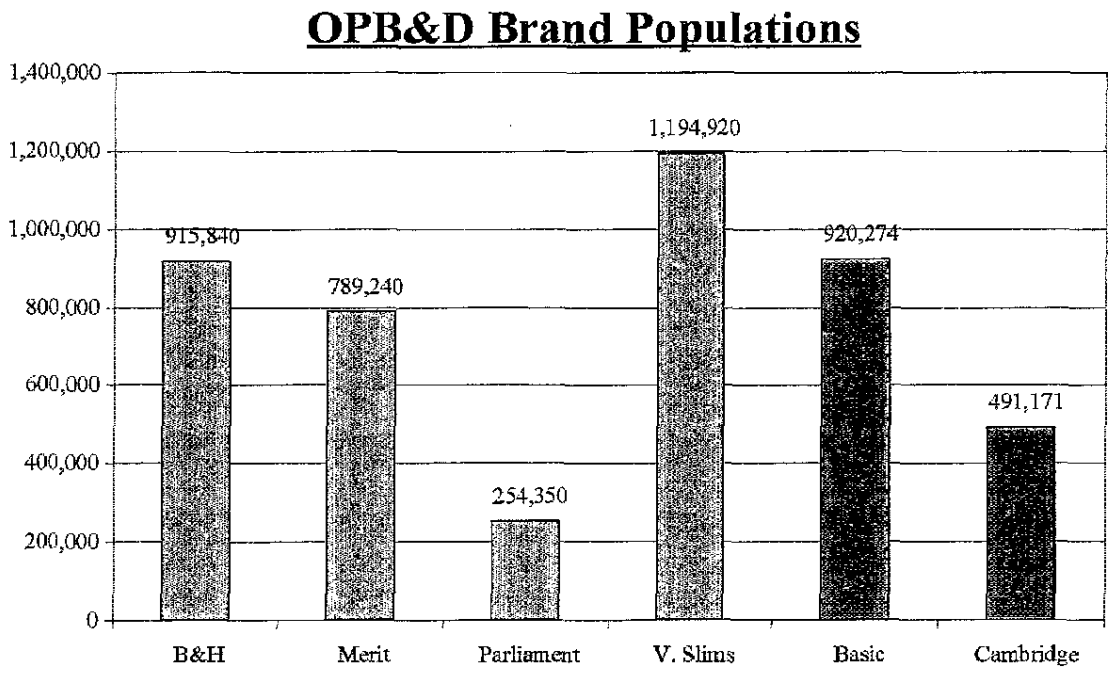
OPB&D Database Populations

- Slims has the largest OPB&D database population - 1.19MM adult smokers



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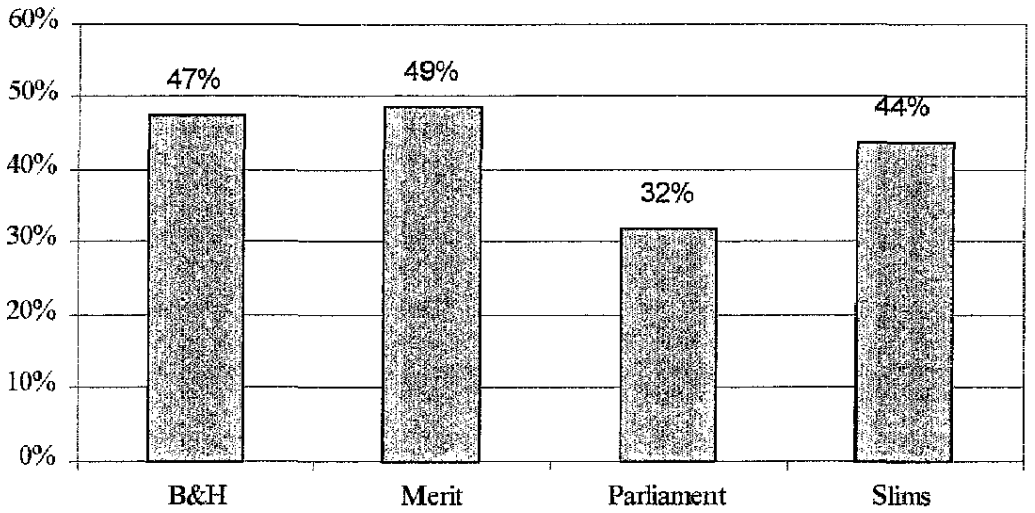
OPB Estimated Database Penetration

- Slims' active mail population (Volume Responder, New/Switched and Brand Verified) represent an estimated ~~46%~~ 44% of real-market adult smokers whose regular brand is Virginia Slims

Estimated Database Penetration of U.S. Adult Smoker Population



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* Data from CTS 6MM (49 million estimated smokers in U.S.)

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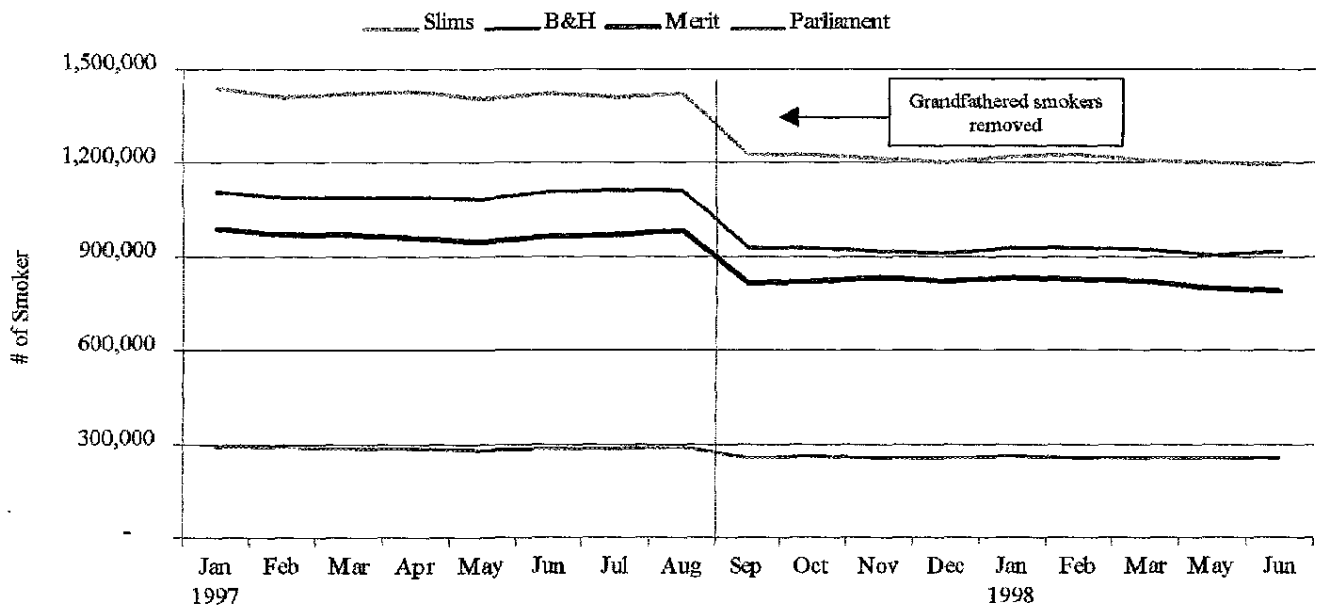
OPB Populations

- Overall, OPB populations are declining slightly
  - Large decline in September 1997 due to the removal of 542M OPB grandfathered adult smokers
  - Average decline of 2.3% since September of '97

OPB Smoker Populations



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*April 1998 data not included - population snapshot not run as coupons were not being loaded

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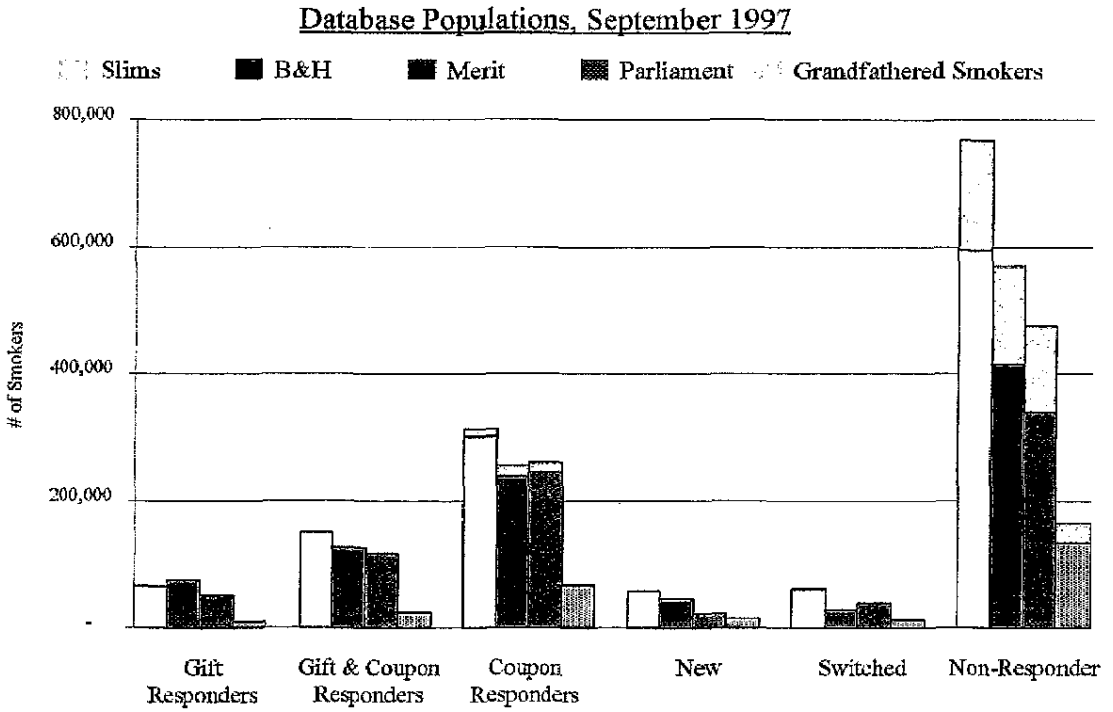
Removal of Grandfathered Smokers

- Grandfathered smokers came from the non-responder and coupon responder segments
  - By definition, grandfathered smokers are not gift responders, new, or switched
- Removing grandfathered smokers primarily affected non-responders
  - 92% of all grandfathered names were non-responders
  - These smokers are typically not mailed
- The remaining grandfathered smokers were coupon responders



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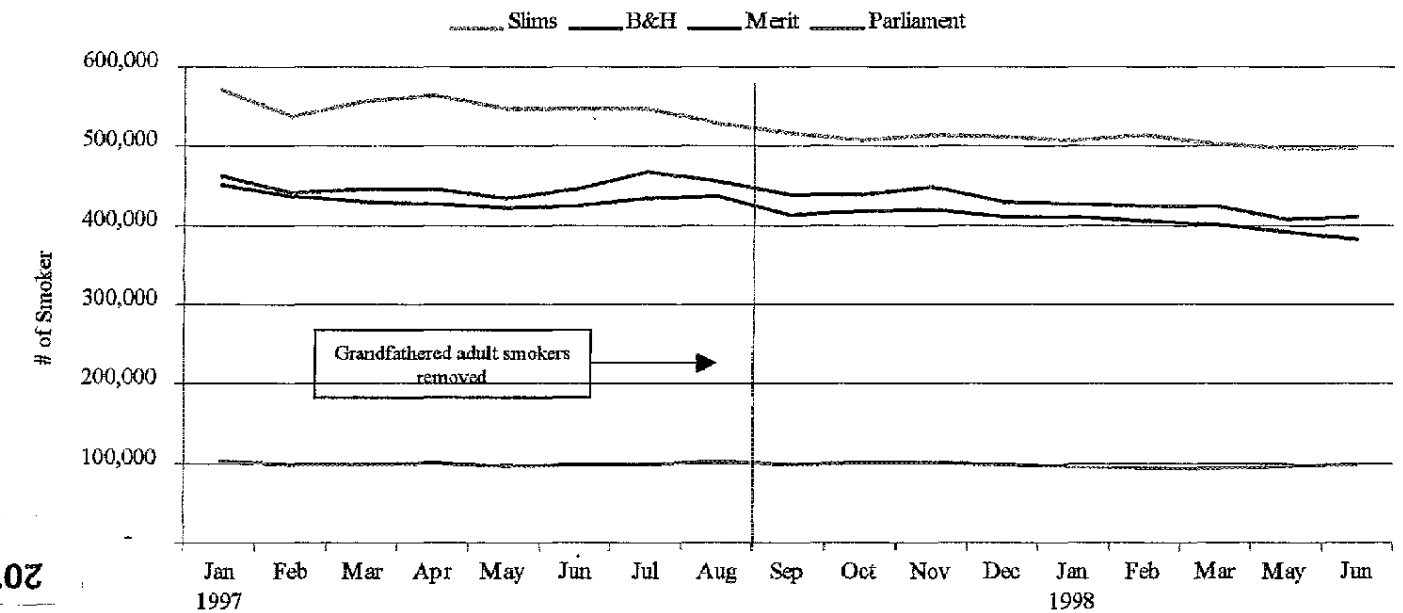
OPB Volume Responder Populations

- All OPB volume responder populations have declined slightly over the last year
  - Overall, down 5.4% since grandfathered adult smokers were removed

needs compare to industry (shipments deals)

OPB Volume Responder Populations



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*April 1998 data not included - population snapshot not run as coupons were not being loaded

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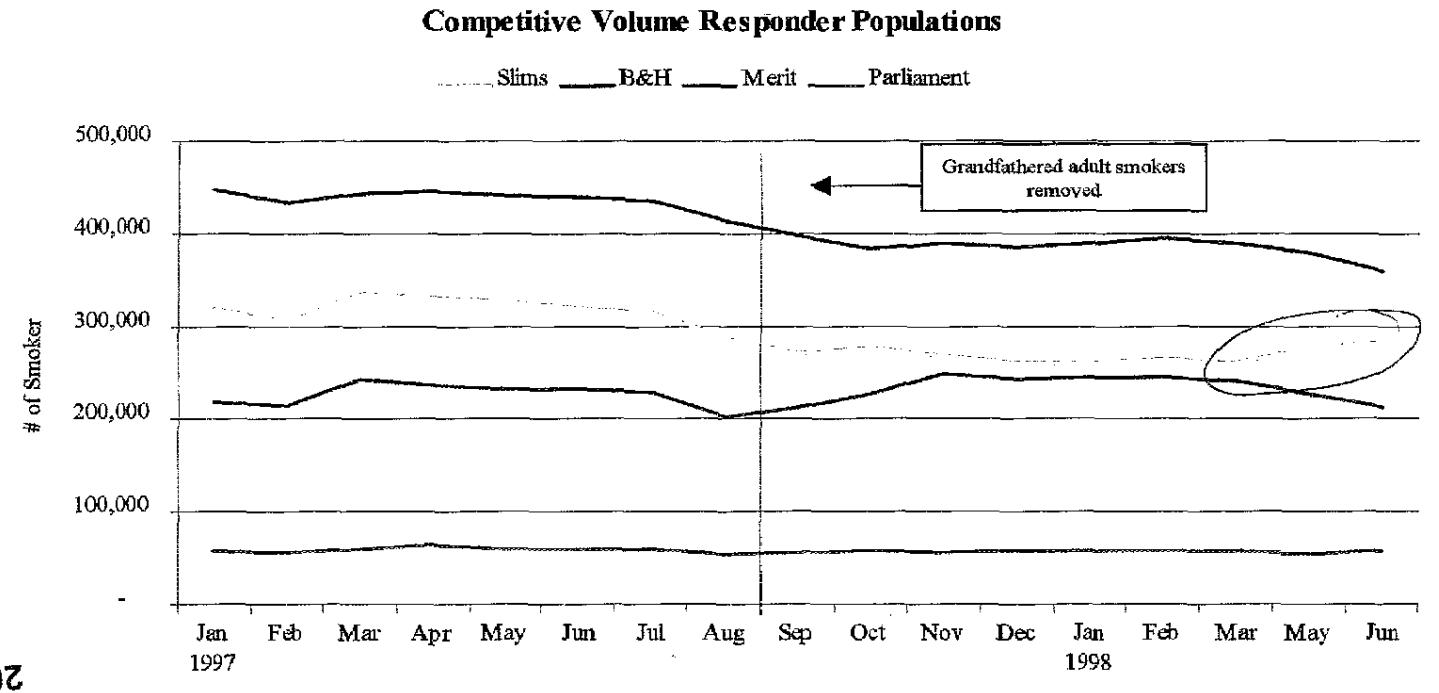
Competitive Volume Responders

- OPB Competitive Volume trends vary by brand



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*April 1998 data not included - population snapshot not run as coupons were not being loaded

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Summary

- PM database is not always reflective of real-world adult smoker population
  - Competitive adult smokers are under represented
  - Slims database penetration is estimated at ~~46%~~ 44%
- OPB total A/Q populations and volume populations are decreasing
- Removal of grandfathered smokers reduced non-responder and coupon only responder populations
  - Helped clean-up the All Remaining column

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Slims Database Franchise

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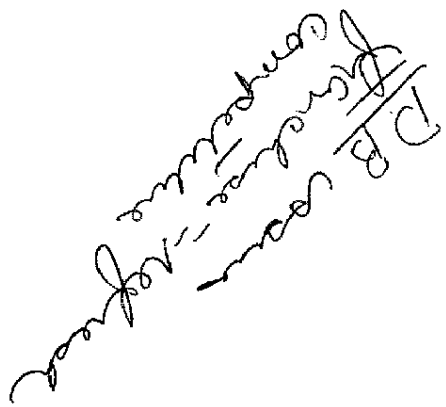

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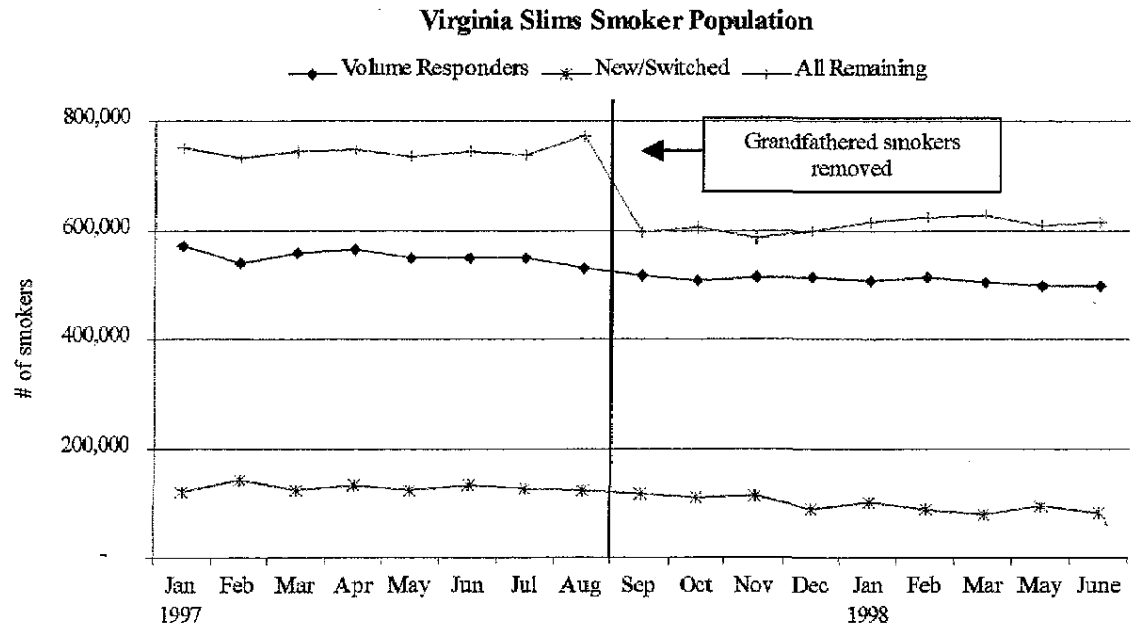
Virginia Slims Smoker Population Changes

- There is a decline in Slims' key audience groups from '97 to '98 - with a growth objective in '99, it will be important to reverse this trend
  - The Slims volume responder population has decreased 9% since one year ago, however a quarter of the loss was due to the removal of grandfathered adult smokers
  - New/switched quantity has decreased 35% from one year ago
    - '98 Hawaii Sweepstakes program should stabilize and improve new/switched trend

higher than industry concern about efforts in direct mail



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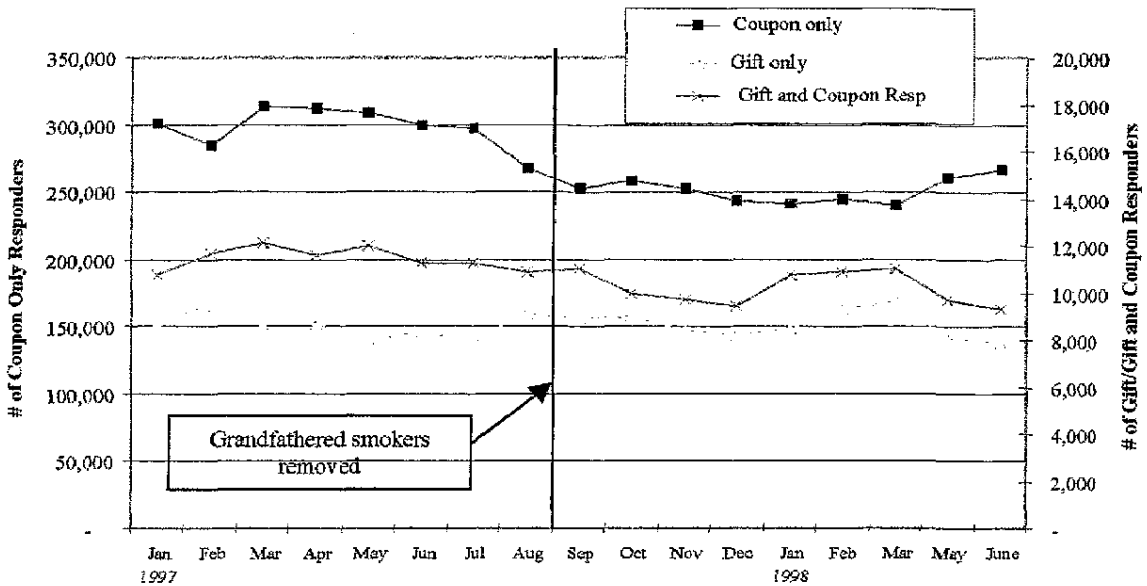
Slims Competitive Volume Responders

- As with the defensive audience, offers/audiences need to be revisited to ensure lifts in response moving forward
- Slims' competitive volume responder population has decreased 11% since one year ago
  - Coupon only responders down 11%
  - Gift only responders flat
  - Gift and coupon responders down 17%
- Coupon responder population has increased over last three months
  - Began mailing Switched and Non-Responder smokers in '98

Competitive Volume Responders



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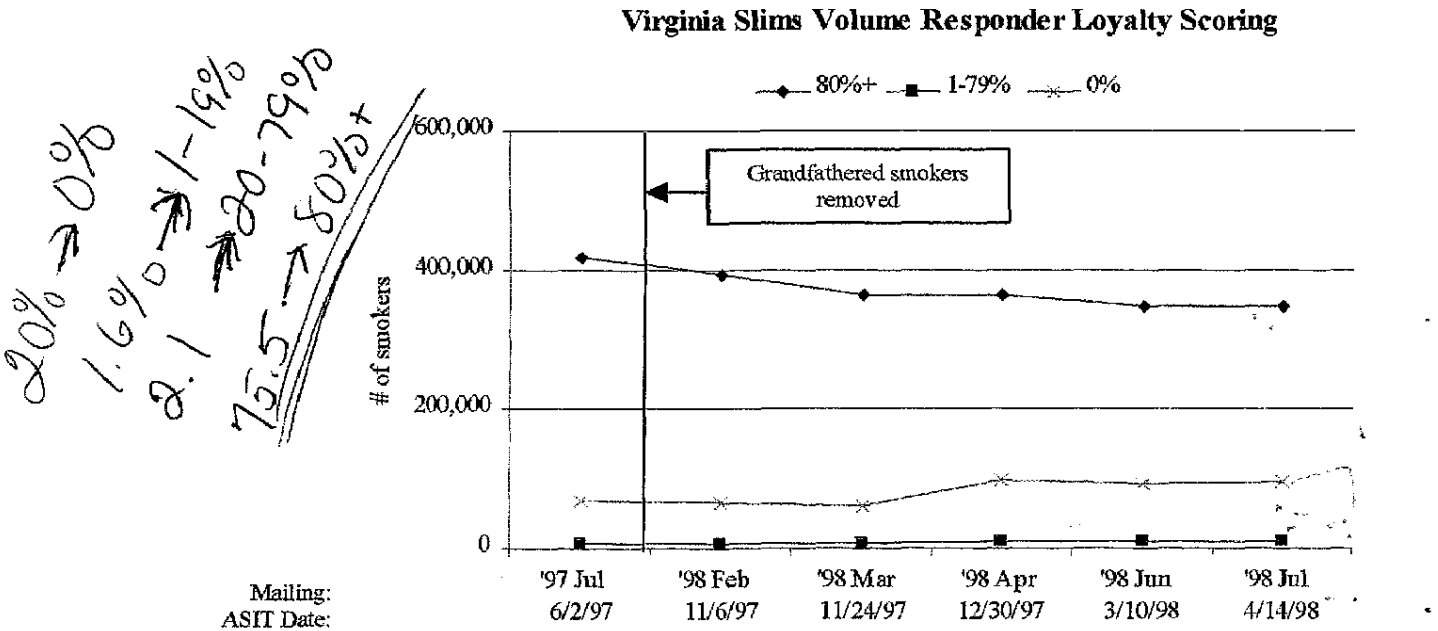
Loyalty Scoring of Slims Volume Responders

- From '97 to '98 there is a decline in high loyal and an increase in low loyal volume responders
- Additional information was gathered to see:
  - Is loyalty shifting down among the same population
  - Are new responders less loyal



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Slims DB Population vs. Tracking Study

- Slims adult smokers age 21-34 are under-represented and adult smokers age 65+ are over-represented on the database

	Slims Database	Slims CTS	Index
Age			
21-24	1.0%	5.8%	17
25-34	20.5%	32.2%	64
35-44	34.3%	28.6%	120
45-54	20.4%	17.4%	117
55-64	12.5%	10.1%	124
65+	11.3%	5.8%	195
Flavor			
Menthol	49.3%	47.1%	105
Non-Menthol	50.7%	52.9%	96

	Slims Database	Slims CTS	Index
Tar Level			
Full Flavor	22.0%	28.3%	78
Lights	48.0%	45.1%	106
Ultra Lights	30.0%	26.6%	113
Length			
100's	74.4%	82.4%	90
120's	25.6%	17.6%	146

	Slims Database	Slims CTS	Index
Region			
1	14.8%	15.0%	99
2	27.7%	28.3%	98
3	20.1%	19.9%	101
4	24.3%	25.1%	97
5	13.1%	11.6%	113
Gender			
Female	92.6%	95.9%	97
Male	7.4%	4.1%	180

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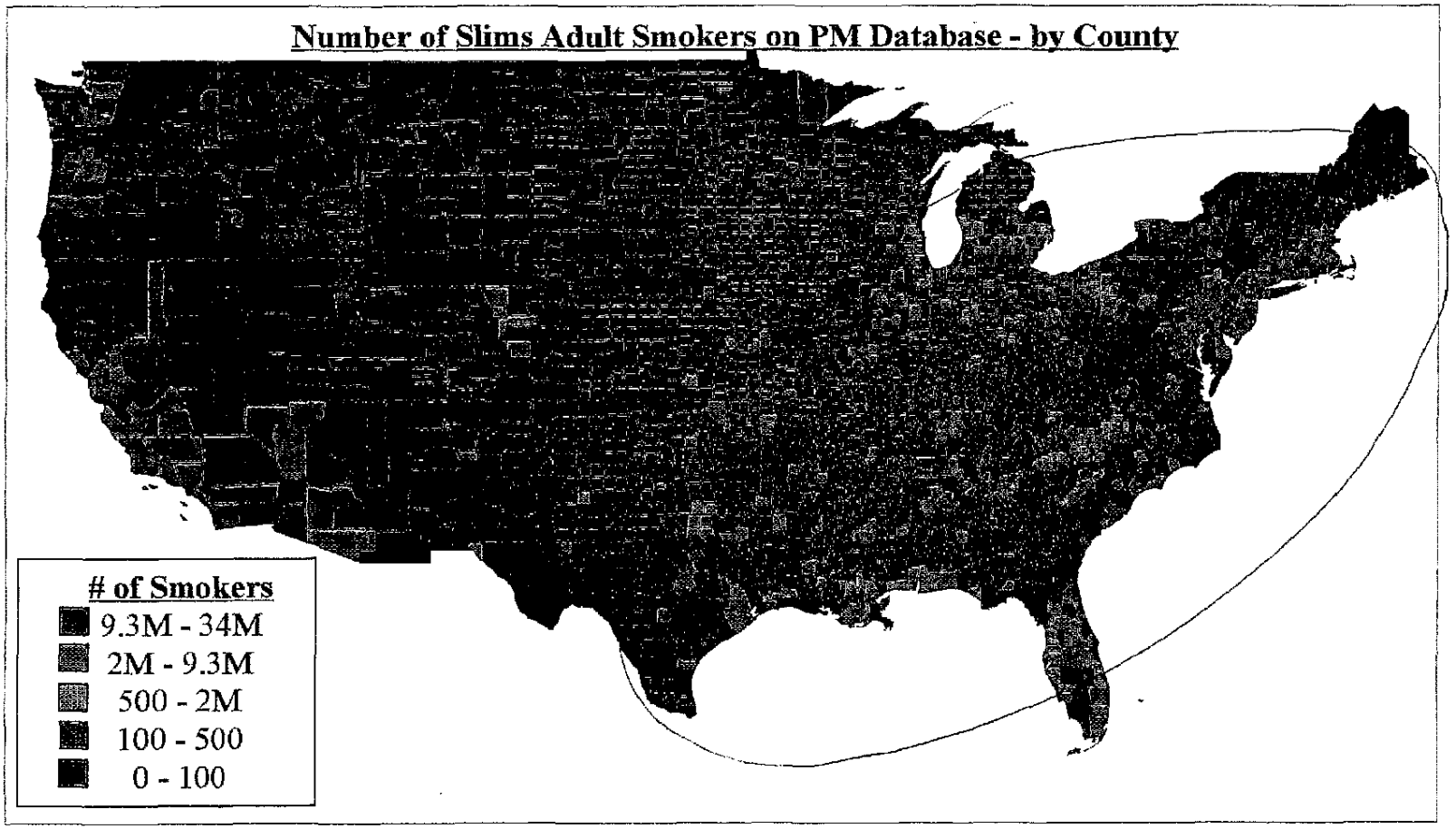
Slims Adult Smokers on Database - by County



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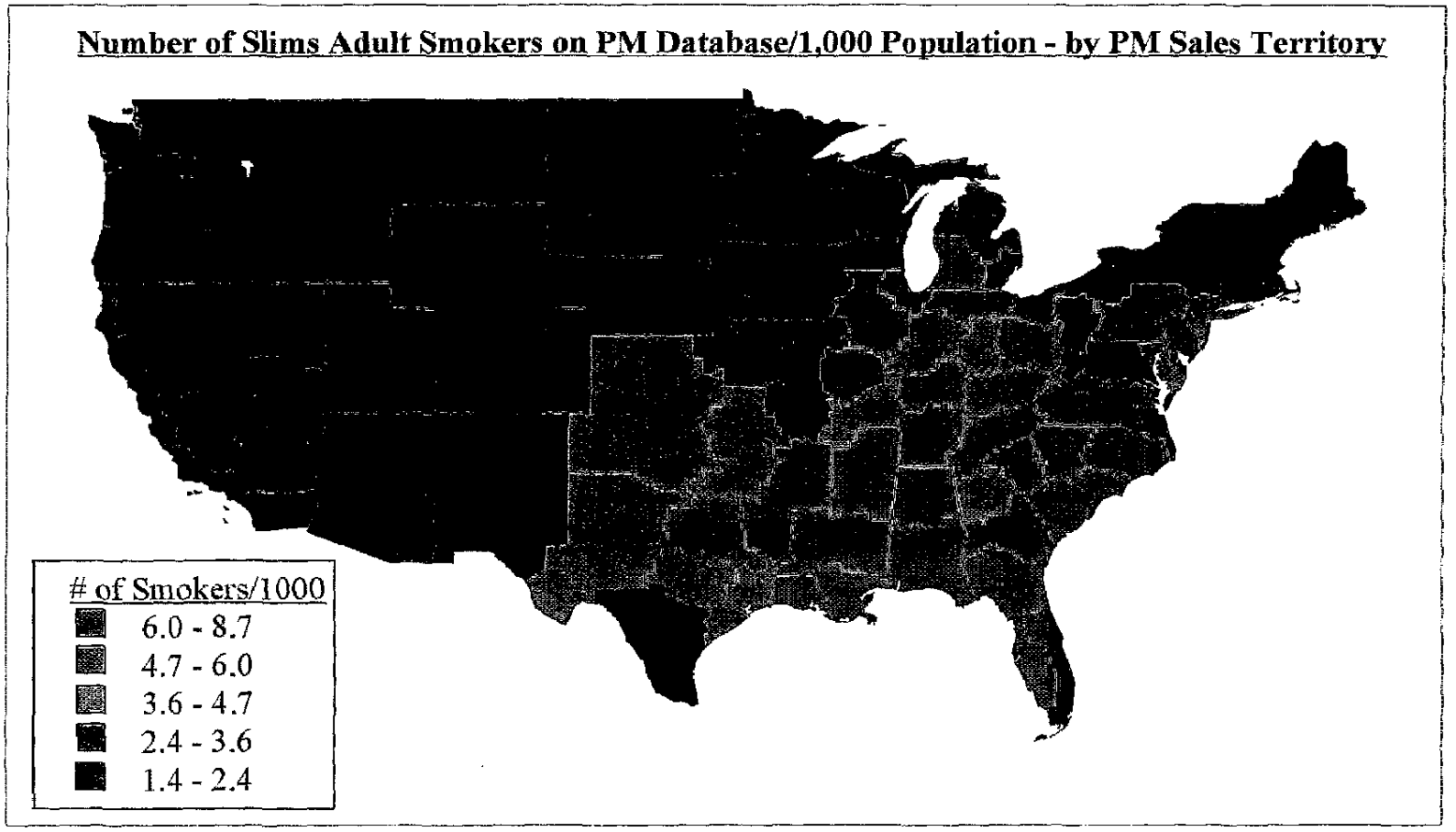
Slims Database Penetration - PM Sales Territory

- Slims database population skews toward Southeastern United States



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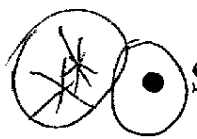
Summary

responder data

- Slims has 1.2MM A/Q adult smokers on the PM database
  - 1/2 are non-responders

- 42% of the Slims database franchise has responded to coupon/continuity within the past 24 months - 500M adult smokers



- Slims' database franchise is declining
  - Volume responder and new/switched populations are declining
  - Competitive volume responder population is declining
    - Recent increase in competitive coupon responders

- Slims database population skews toward the Southeastern United States

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1998 Smoker Contact Strategy

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Available Mailing Universe

- Slims mailing audience is selected from six distinct populations
  - Virginia Slims and SuperSlims adult smokers
  - Misty adult smokers
  - Competitive adult smokers who meet Slims selection criteria
    - Female
    - 100s, 120s, or Unknown length
    - Age 30-64
  - Other Competitive Volume Responders
    - Competitive adult smokers who do not meet Slims criteria (males, kings)
    - Other PM smokers
  - YAFS
    - Female
    - 100s, 120s, or Unknown length
    - Age 21-29*
  - Channeled adult smokers

* 19% age 21-24, 81% age 25-29

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

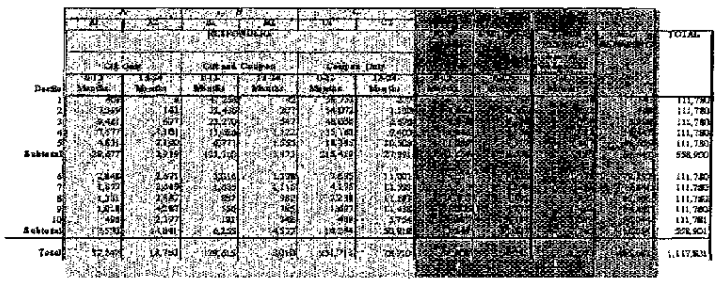
Scoring of Slims Adult Smokers

- Slims adult smokers are scored using loyalty and coupon models
  - Models are used for offer versioning, not name selection
  - All remaining column is not mailed
- Scoring results are cross-tabulated to create an additional audience selection grid for Slims volume responders

Loyalty Scoring

Slims Smokers Loyalty Buckets				
0	1-19	20-79	80+	Total
212,373	23,137	12,937	856,794	1,105,241
19.2%	2.1%	1.2%	77.5%	100.0%

Coupon Scoring



Volume Responders, ASG Columns A-C 0-24 Months Loyalty Bucket					
Coupon Decile	0	1-19	20-79	80+	Total
1	9,664	1,215	2,028	96,518	109,425
2	11,134	1,094	1,653	81,505	95,386
3	12,854	1,215	1,461	72,954	88,487
4	11,106	971	1,157	54,755	67,989
5	5,594	718	810	35,130	44,252
Subtotal, Dec 1-5	52,334	5,213	7,110	340,860	405,537
%Grid Population	10.4%	1.0%	1.5%	67.2%	80.1%
%Slims Population	4.7%	0.5%	0.7%	30.5%	36.5%
6	5,045	422	475	22,603	28,545
7	4,161	379	358	18,046	22,944
8	3,467	345	274	15,411	19,497
9	2,445	290	202	15,844	19,781
10	1,842	150	128	7,529	9,649
Subtotal, Dec 6-10	17,960	1,586	1,437	79,433	100,416
%Grid Population	3.6%	0.3%	0.3%	15.8%	19.9%
%Slims Population	1.6%	0.1%	0.1%	7.2%	9.1%
Total	70,294	6,799	8,849	418,513	504,953
%Grid Population	13.9%	1.3%	1.8%	82.9%	100.0%
%Slims Population	6.4%	0.6%	0.8%	37.8%	45.6%

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Coupon Scoring of Competitive Adult Smokers

- Competitive adult smokers are scored for coupon responsiveness and placed in four audience selection grids
  - Misty Adult Smokers
  - Other Competitive Adult Smokers (those who meet Slims criteria and other previous volume responders)
  - Philip Morris Responders
  - YAFS

	A		B		C						
	A1	A2	B1	B2	C1	C2					TOTAL
	RESPONDERS										
	Gift Only		Gift and Coupon		Coupon Only						
Decile	9-12 Months	13-24 Months	9-12 Months	13-24 Months	9-12 Months	13-24 Months					
1	312	71	4,116	119	102,047	5,049					165,824
2	654	228	1,883	254	50,221	11,111					191,268
3	866	311	963	284	11,685	8,877					207,944
4	253	324	89	145	4,269	9,250					212,713
5	143	352	146	67	774	4,100					217,404
Subtotal	2,138	1,292	7,975	819	148,912	42,387					996,153
6	11	154	1	18	70	6,552					221,057
7	3	64	1	6	1	3,646					227,360
8	0	8	0	0	0	1,228					224,232
9	0	0	0	0	0	0					239,732
10	0	0	0	0	0	0					253,341
Subtotal	14	226	2	24	71	11,526					1,165,722
Total	2,152	1,518	7,977	843	148,989	53,913					2,161,875

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Coupon Scoring of Channeled Smokers

- Multibrand handraisers channeled into Slims are scored and deciled with other competitive adult smokers, then placed in their own ASG
- Initial channeled adult smokers will be mailed at least twice

	A		B		C		D	E	F	G	H	
	A1	A2	B1	B2	C1	C2						
	VOLUME RESPONDERS						Other Responders	Newly Channeled Never Mailed	Mailed Non-Responders			TOTAL
	Gift Only		Gift and Coupon		Coupon Only				Received One Mailing	Received Two Mailings Last Mailed 0-6 Months	All Remaining	
Decile	0-12 Months	13-24 Months	0-12 Months	13-24 Months	0-12 Months	13-24 Months	0-12 Months					
1	30	6	254	12	2,750	107	106	6,501	0	0	0	9,766
2	48	18	69	8	914	133	164	8,571	0	0	0	9,925
3	21	5	9	3	264	70	76	5,479	0	0	0	5,927
4	13	6	2	3	112	28	23	4,795	0	0	0	4,982
5	5	3	0	0	55	12	4	2,899	0	0	0	2,978
Subtotal	117	38	334	26	4,095	350	373	28,245	0	0	0	33,578
6	0	0	0	0	13	1	0	1,158	0	0	0	1,172
7	0	0	0	0	5	0	0	305	0	0	0	310
8	0	0	0	0	0	0	0	35	0	0	0	35
9	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	18	1	0	1,498	0	0	0	1,517
Total	117	38	334	26	4,113	351	373	29,743	0	0	0	35,095
al Population	0.3%	0.1%	1.0%	0.1%	11.7%	1.0%	1.1%	84.7%	0.0%	0.0%	0.0%	100.0%

Typical mailing audience includes responders, newly channeled, and channeled adult smokers who received one mailing

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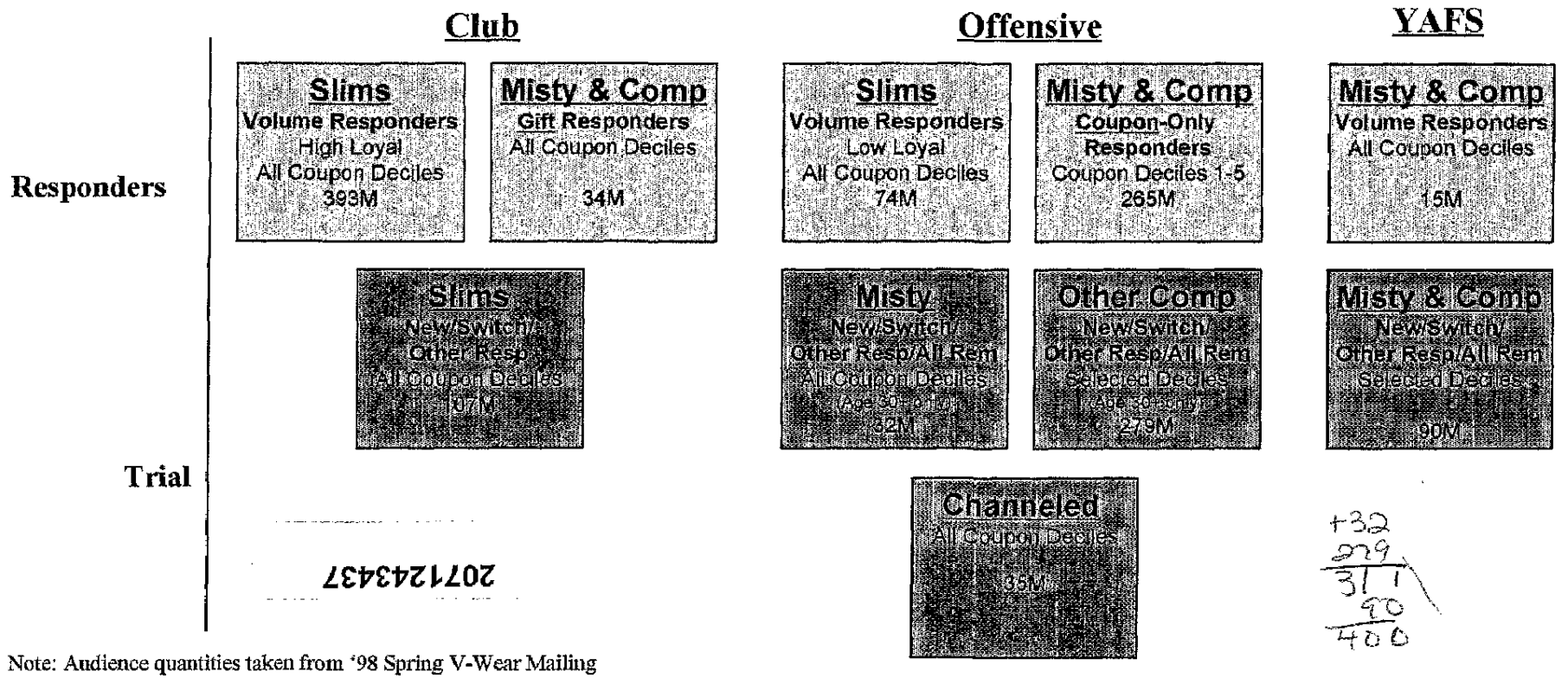
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1998 Segmentation Strategy

- Slims has three main audiences: Club, Offensive, and YAF
  - Since 1997, Misty and Competitive Gift Responders have been included in the Club audience
  - Beginning in 1998, Low Loyal Slims Responders are treated as Offensive adult smokers

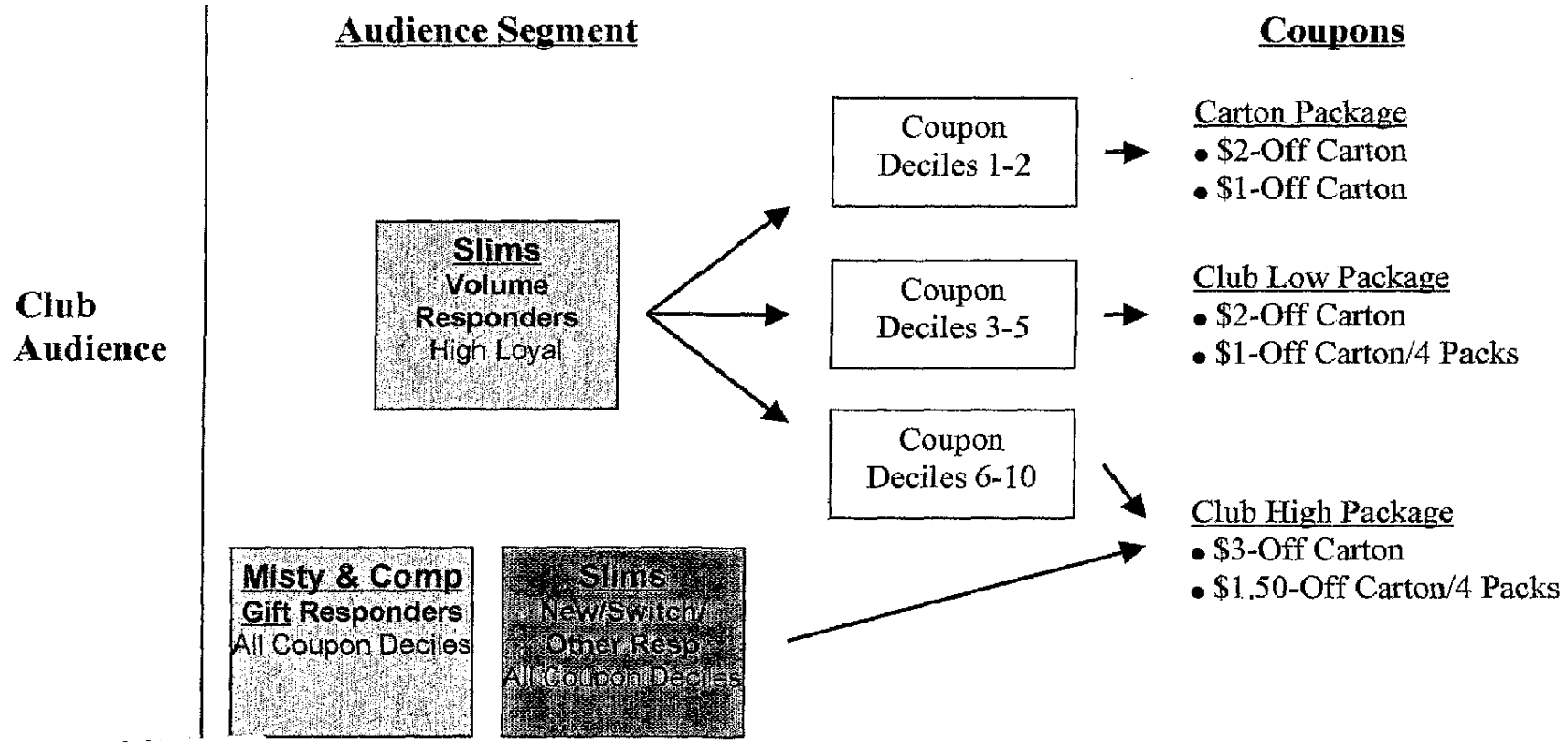


Note: Audience quantities taken from '98 Spring V-Wear Mailing
*19% age 21-24, 81% age 25-29

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1998 Coupon Offers - Club Audience

- Coupon offers are based on response history, coupon modeling, and loyalty scoring



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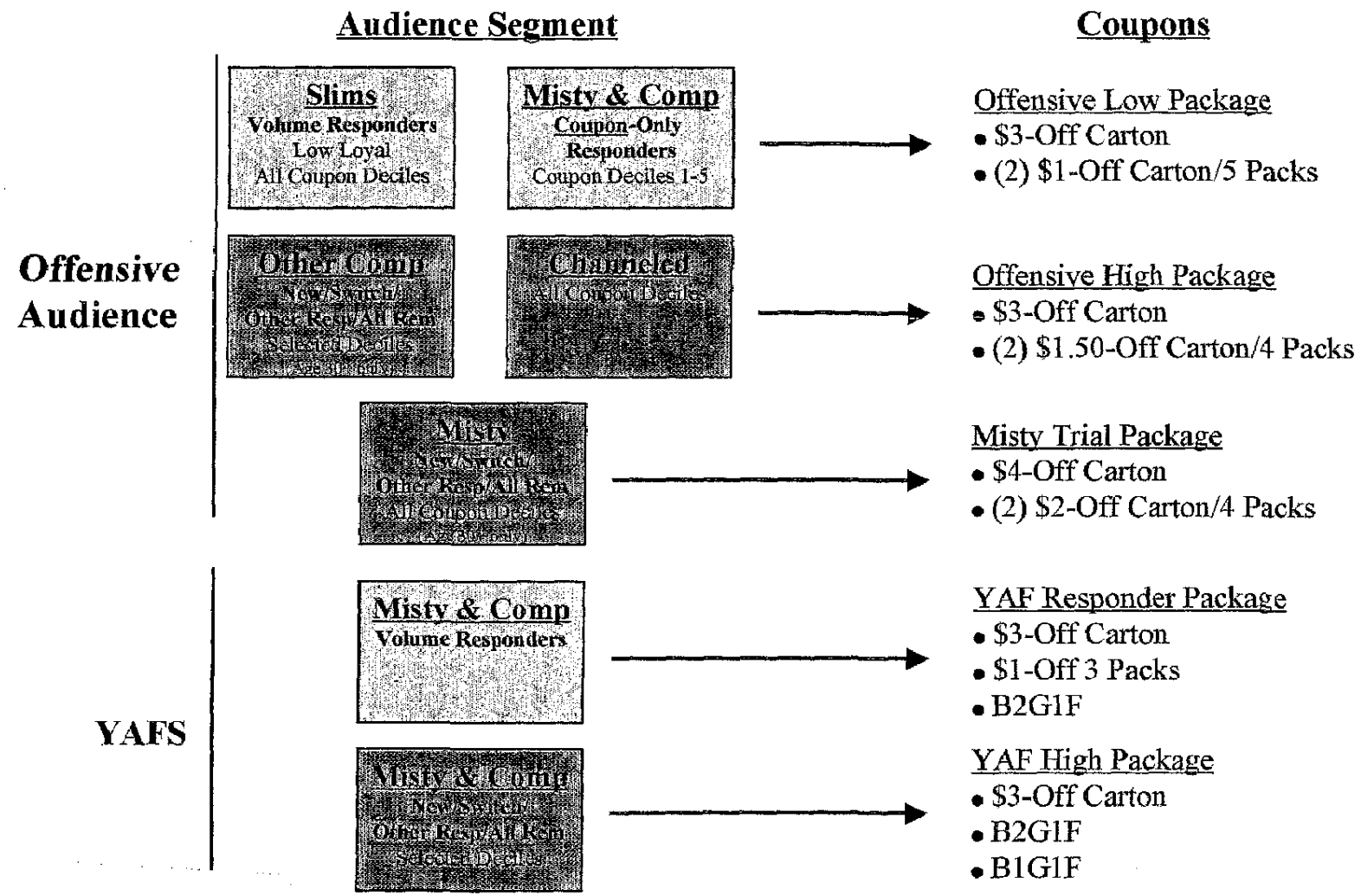
1998 Coupon Offer Versioning - Offensive Audience



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Linking Communication to Segmentation

- Slims overall strategy is to deliver a consistent message to individual smokers

Three Main Audiences	Communication Objective
• Club	• Maintain Share of Purchase • Continue Relationship • Move Volume
• Offensive	• Encourage Repeat Purchase • Generate Trial • Move Incremental Volume
• YAFS	• Generate Trial • Encourage Repeat Purchase

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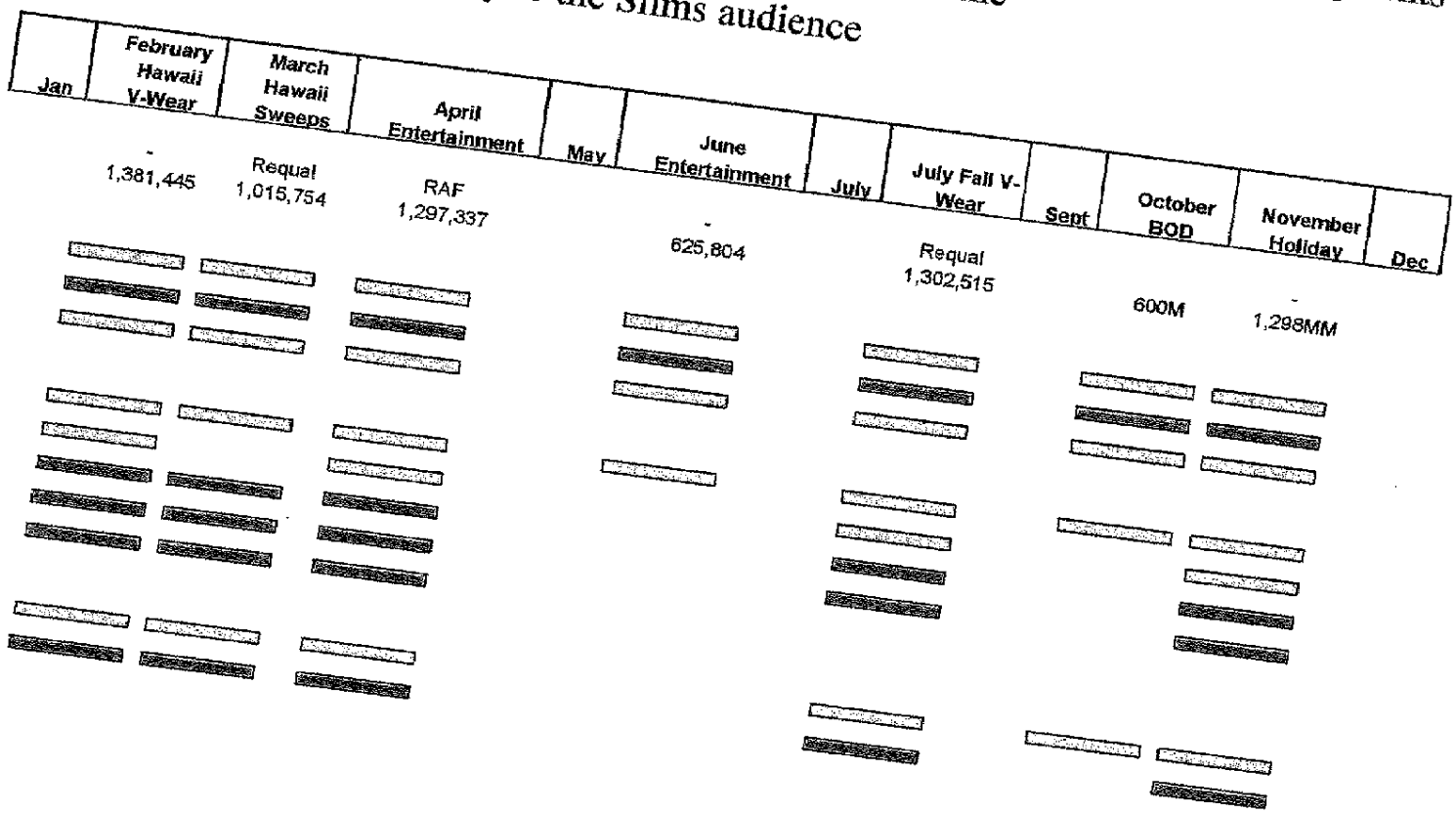
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1998 Mailing Calendar

- Slims will deliver seven national mailings in 1998
  - Four equity focused mailings will be delivered to the entire audience including trial segments
  - Two volume focused mailings will be delivered in March and June
  - Book of Days will be delivered only to the Slims audience



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

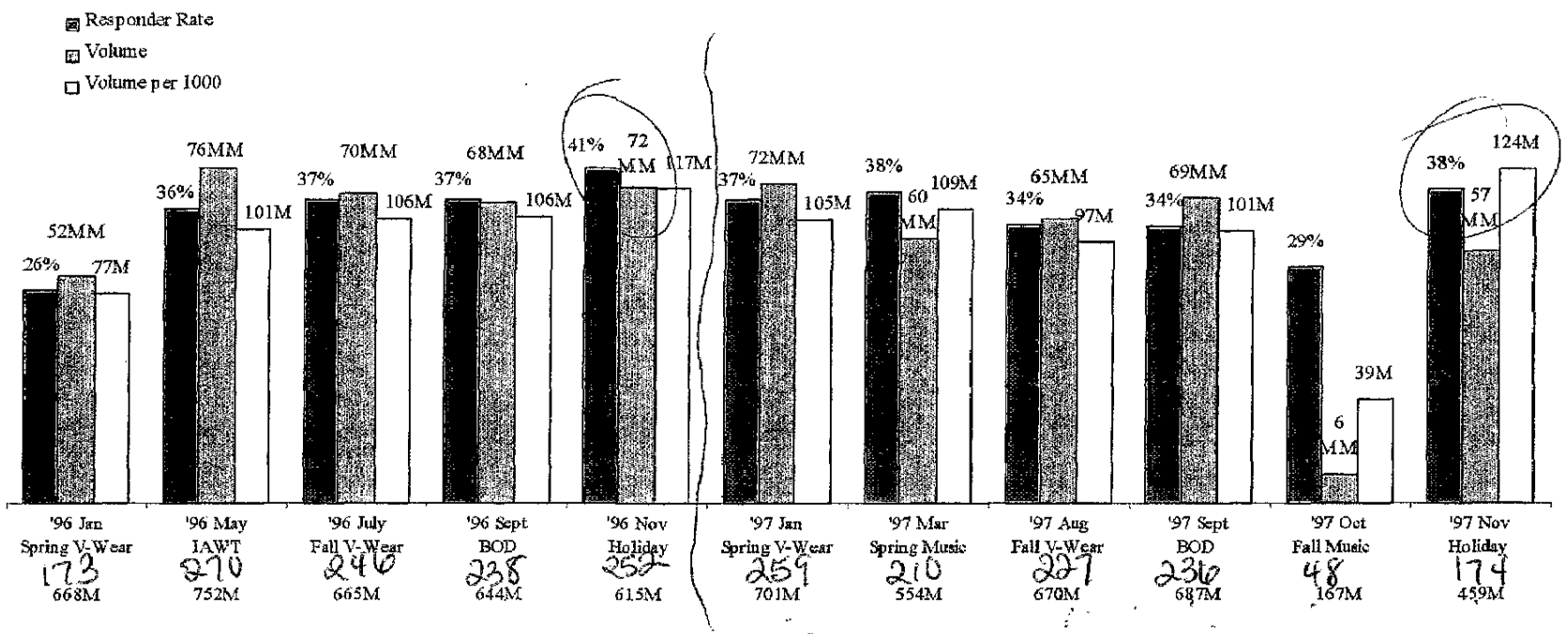
Coupon Response Learnings

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Coupon Volume - Club Audience Response

- Coupon responder rates and promoted volume have remained consistent in 1996-97
  - Exception is '97 Fall Music because of reduced audience and offer

Need to include responders



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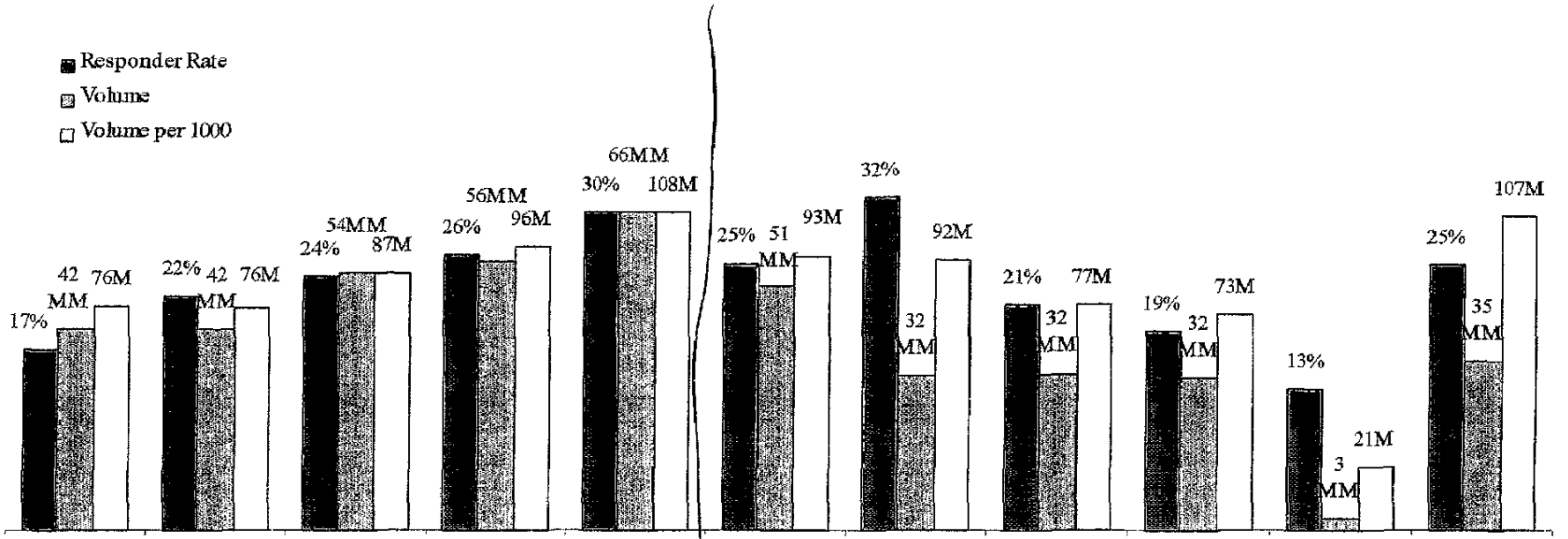
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Coupon Volume - Offensive Audience Response

- Coupon responder rates and promoted volume improved throughout '96
- Decline in '97 coupon responder rates and promoted volume due to:
  - Competitive gift responders were moved from the offensive audience to the club audience
  - Low volume in '97 Spring/Fall Music due to reduced audience and offers



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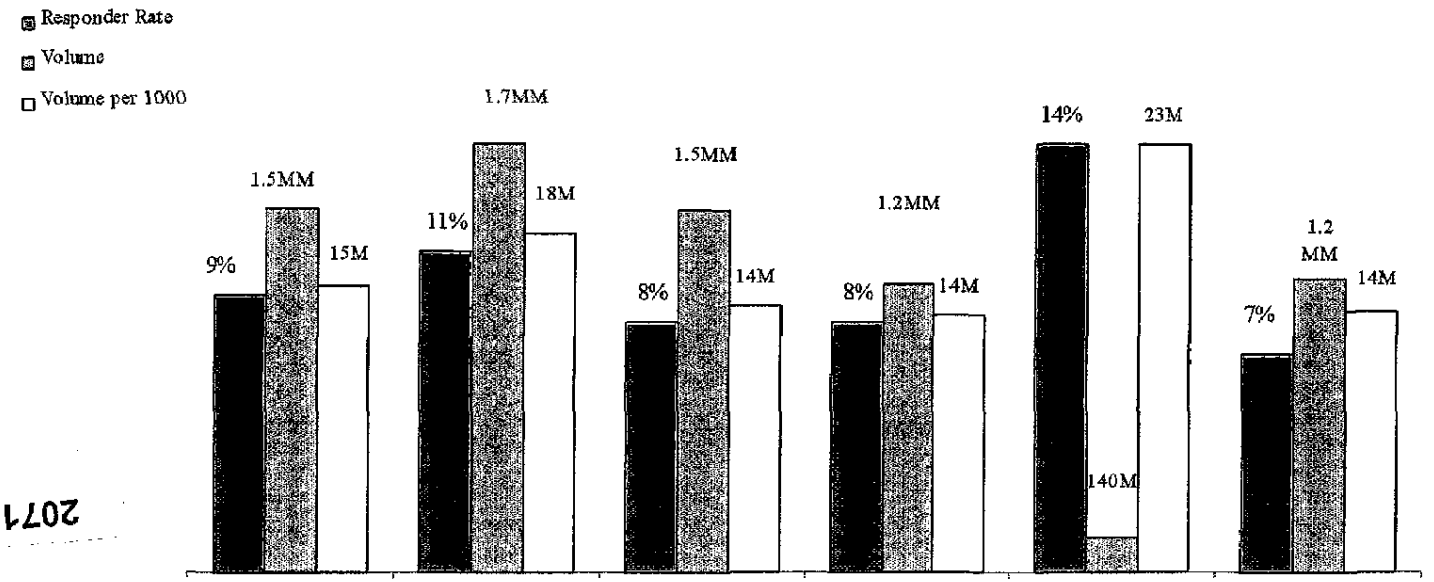
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Coupon Volume - YAFS Audience Response

- Coupon responder rates and volume have been relatively consistent beginning with the first mailing YAFS were exposed to in October '96
- As would be expected, responder rates for YAFS are about one-third that of offensive group:
  - High responder rate/low volume in '97 Fall Music because only responders were selected
  - November Holiday mailing only delivered to trial audience



Three coupons offered to YAFS (exception was Oct. Fall Music - one coupon)

2071243445

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1997 Spring V-Wear Performance Assessment

- Highest coupon responder rates: Slims Previous Responders deciles 1-5, Slims Age 65+, Other PM Coupon Responders

Audience Segment	Quantity Mailed	% of Audience Mailed	Coupon Offer	Coupon Response Rate	Promoted Sticks	Volume Per 1000 Mailed
Slims Previous Responders, Dec 1-5	444,314	36%	$2-C/$1-C/4-P	44%	56MM	127M
Slims Previous Responders, Dec 6-10	69,579	6%	$3-C/$1.50-C/4-P	10%	1.6MM	23M
New/Switched/Other Responders	95,746	8%	$2-C/$1-C/4-P	15%	3MM	38M
			$3-C/$1.50-C/4-P		.7MM	7M
Slims, Age 65+, Dec 1-2	28,961	2%	$2-C/$1-C/4-P	62%	5MM	192M
Competitive Coupon Responders	42,145	3%	$3-C/$1-C/4-P	35%	6MM	152M
Club Subtotal	**680,745**	**56%**		**37%**	**72MM**	**105M**
Misty Coupon Responders (Deciles 1-5)	36,670	3%	$4-C/$2-C/4-P	37%	5MM	145M
Misty Trial (all)	50,057	4%	$4-C/$2-C/4-P	14%	2MM	54M
Competitive Coupon Responders	205,115	17%	$3-C/$1-C/4-P	34%	21MM	105M
			$3-C/$1.50-C/4-P			
Competitive Trial	175,102	14%	$3-C/$1-C/4-P	7%	2MM	12M
			$3-C/$1.50-C/4-P		3MM	16M
Other PM Coupon Responders	75,594	6%	$3-C/$1-C/4-P	47%	5MM	189M
Offensive Subtotal	**542,538**	**44%**		**25%**	**51MM**	**93M**
Total Mailing	**1,223,283**	**100%**		**32%**	**123MM**	**1MM**

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1998 Spring V-Wear Performance Assessment

- Highest coupon responder rates: High Loyal Slims Previous Responders deciles 1-2, Other PM Coupon Responders and Competitive Gift Responders

Audience Segment	Quantity Mailed	% of Audience Mailed	Coupon Offer	Coupon Responder Rate	Promoted Sticks	Volume Per 1000 Mailed
Slims High Loyal Previous Resp, Dec 1-2	157,576	12%	$2-C/$1-C	49%	23MM	147M
Slims High Loyal Prev Resp, Dec 3-5; Age 65+	194,941	15%	$2-C/$1-C/4-P	29%	14MM	74M
Slims Previous Responders, Dec 6-10	73,958	6%	$3-C/$1.50-C/4-P	10%	8MM	24M
New/Switched/Other Responders	107,456	8%	$3-C/$1.50-C/4-P	18%	5MM	48M
Competitive Gift Responders	34,092	3%	$3-C/$1.50-C/4-P	31%	3MM	82M
Club Subtotal	**568,023**	**44%**		**30%**	**47MM**	**83M**
Slims Low Loyal Previous Responders	73,591	6%	$3-C/$1-C/5-P	29%	7MM	92M
Misty Coupon Responders	34,877	3%	$3-C/$1-C/5-P	20%	2MM	66M
Misty Trial	31,914	2%	$4-C/$2-C/4-P	11%	12MM	38M
Competitive Coupon Responders	146,100	11%	$3-C/$1-C/5-P	26%	13MM	90M
Competitive Trial	317,764	25%	$3-C/$1.50-C/4-P B2G1F/B1G1F/$3-C	10%	9.7MM	32.8M
Other PM Coupon Responders	74,190	6%	$3-C/$1-C/5-P	34%	8MM	122M
Offensive Subtotal	**604,845**	**47%**		**19%**	**43MM**	**63M**
YAFS Volume Responders	15,374	1%	$1-3P/B2G1F/$3-C	21%	.59MM	45M
YAFS Trial	89,612	7%	B2G1F/B1G1F/$3-C	6%	.6MM	9M
YAFS Subtotal	**104,986**	**8%**		**8%**	**1MM**	**14M**
Total Mailing	**1,277,854**	**100%**		**23%**	**92MM**	**68M**

Note: Mailing dropped in February '98 - Results 80% complete

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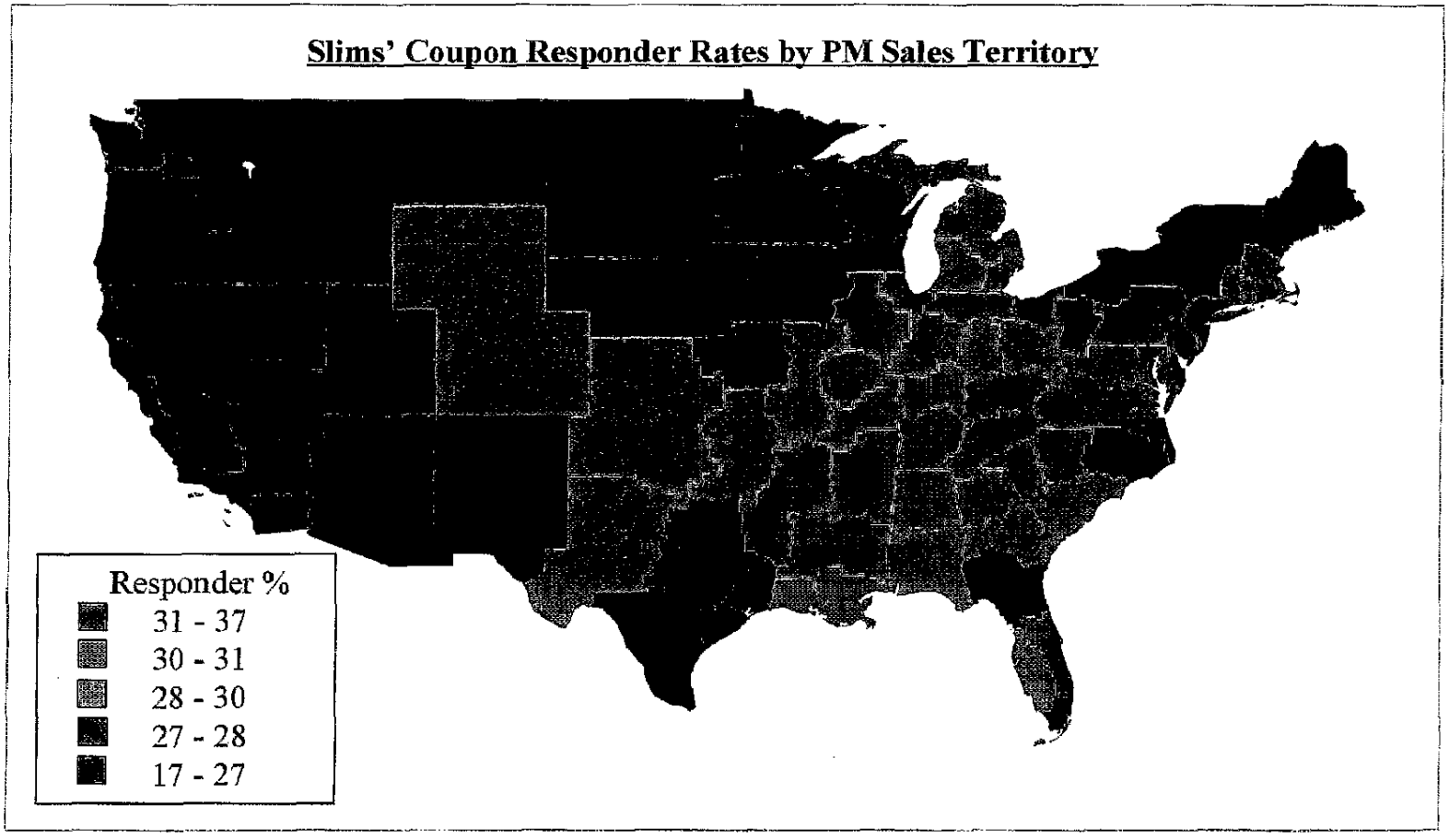
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Slims Responder Rate - by PM Sales Territory

- Strongest coupon responder rates in Mid-Atlantic and Mid-West



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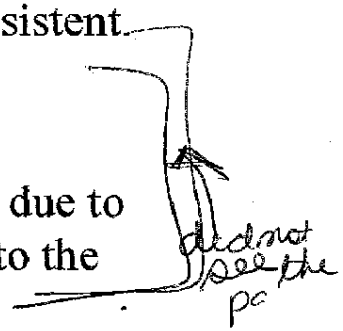
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Summary

- Club coupon responder rates and promoted volume have remained consistent in 1996-97 Compare to actual responders
- Decline in '97 offensive coupon responder rates and promoted volume due to movement of competitive gift responders from the offensive audience to the club audience



- YAF coupon responder rates and volume have been relatively consistent beginning with the first mailing YAFS were exposed to in October '96
  - As would be expected, responder rates for YAFS are about one-third that of offensive audience

Should we continue here

- Highest coupon responder rates: Slims Age 65+, Other PM Coupon Responders and Slims Previous Responders deciles 1-5

?

- Strongest coupon responder rates in Mid-Atlantic and Mid-West

2071243449

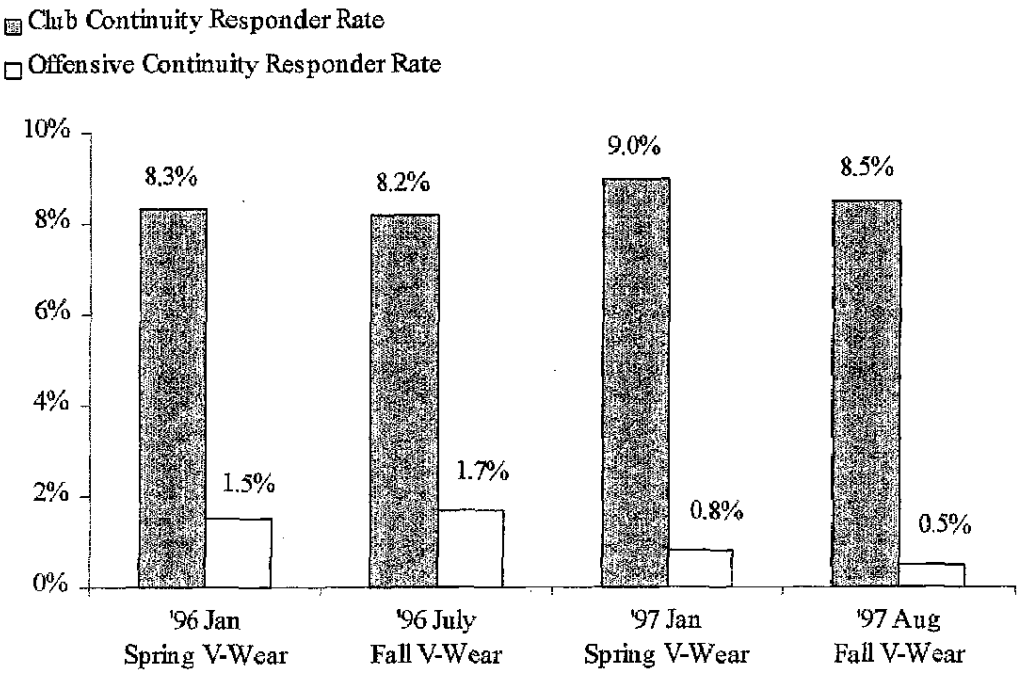
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Continuity Response Learnings

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Club and Offensive Continuity Response

- Club continuity response increased in '97 Spring V-Wear while Offensive continuity response decreased
  - Competitive gift responders were moved from the Offensive audience to the Club audience starting with this mailing



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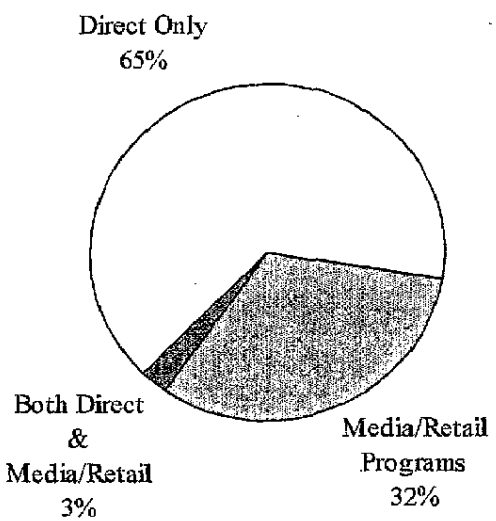
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Continuity Response

- Direct mail accounts for about two-thirds of V-Wear orders
- Small overlap (3-5%) of smokers responding to both direct and media/retail

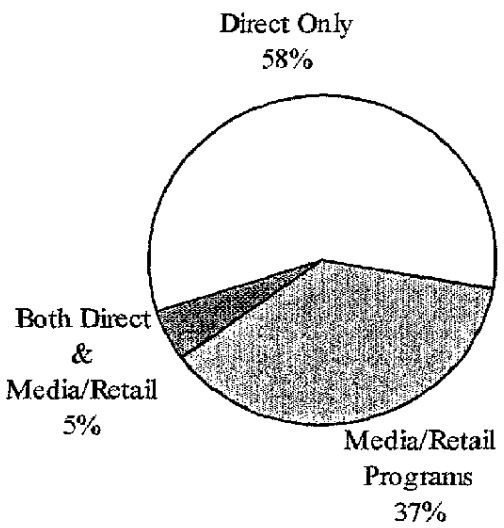
Spring 1997 V-Wear

Total number of orders=86,037



Fall 1997 V-Wear

Total number of orders=87,634



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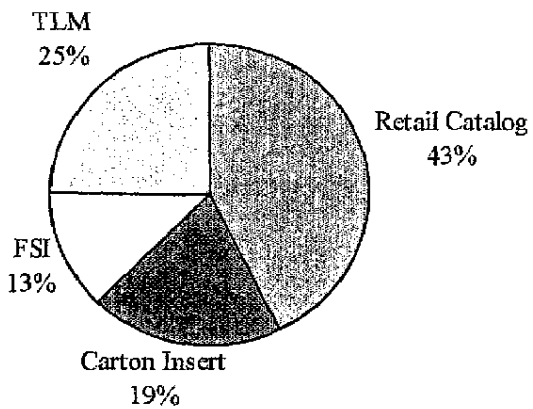
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Source of Media/Retail Continuity Response

- '97 Spring and Fall V-Wear had a similar number of media/retail responders yet the source varies
- Retail catalog generated the highest number of responders in '97 Spring V-Wear
- Carton insert generated the highest number of responders in '97 Fall V-Wear
- Telemarketing efforts resulted in between 20-25% of responders to both V-Wear mailings

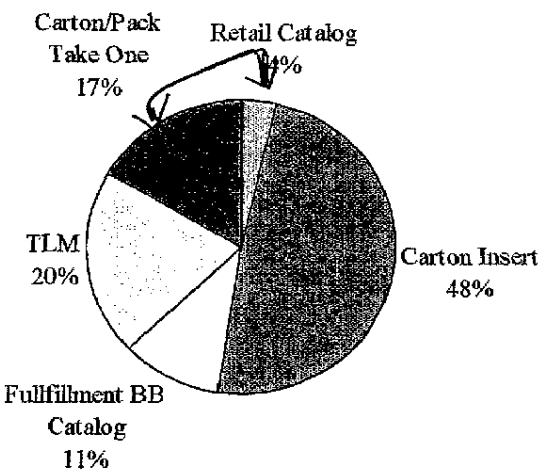
Spring 1997 V-Wear

32,522 Responders



Fall 1997 V-Wear

38,106 Responders



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Value of Telemarketing

- Consistent with other brands, Slims has a strong response to the 800#

	Requests	Orders	Percentage
Spring 1997 V-Wear	31,812	8,173	25%
Fall 1997 V-Wear	41,396	8,153	20%

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Audience Response to Direct Continuity

- Slims volume responders accounted for 82% of responders to the '97 Fall V-Wear mailing (direct mail)
- Competitive gift responders and Slims volume responders show similar continuity response

Results for '97 Fall V-Wear

Audience Segment	% Audience Mailed	% Responders	Index
Slims Volume Responders	41%	82%	200
Slims New/Switched/OR/BV	12%	8%	67
Competitive Gift Responders	3%	6%	200
Competitive Resp/Trial	30%	3%	10
Misty	7%	0.9%	13
YAFS	7%	0.1%	1
Total	1,177,772	50,424	5%

2071243455

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Cost of Delivery

- '97 Spring V-Wear generated the lowest cost per responder
- High cost per responder in the trial segments - Misty, competitive and YAFS

	Response to Continuity Offers							
	Fall '95		Fall '96		Spring '97		Fall '97	
Audience Segment	Responder Rate	Cost per Responder	Responder Rate	Cost per Responder	Responder Rate	Cost per Responder	Responder Rate	Cost per Responder
• Slims Smokers	4%	$22.83	8%	$13.54	9%	$13.66	9%	$13.44
• Competitive Gift Responders	1997 Segments Only				9%	$10.48	11%	$14.29
Club Subtotal	**4%**	**$22.83**	**8%**	**$13.54**	**9%**	**$13.41**	**9%**	**$13.49**
• Misty Smokers	0.1%	$262.00	0.8%	$140.93	0.6%	$144.61	0.7%	$109.83
• Competitive Smokers	0.9%	$105.00	1.5%	$117.17	1.2%	$161.42	0.6%	$125.30
• PM Volume Responders	-	-	5.4%	$21.37	1.7%	$52.45	-	
• YAFS	-	-	-	-	-	-	0.05%	$1,454.88
Offensive & YAFS Subtotal	**0.4%**	**$225.04**	**1.7%**	**$70.27**	**0.8%**	**$123.40**	**0.5%**	**$122.03**
Total Mailing	**2.5%**	**$35.50**	**5.1%**	**$22.09**	**5.4%**	**$17.43**	**5.2%**	**$22.14**

Same creative to all smokers

Club audience full catalog
Offensive audience fewer items

Full catalog with copy changes

20712434S6

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Summary

- Club and offensive continuity response has remained consistent
- Direct mail accounts for the majority of V-Wear orders
- Slims continues to have strong response to 1-800# V-Wear requests
  - Continue telemarketing efforts in 1999
- Most (82%) V-Wear responders to direct are Slims' volume responders - low response from trial/Misty/YAFS audience
  - Reconsider sending continuity message to trial audience

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

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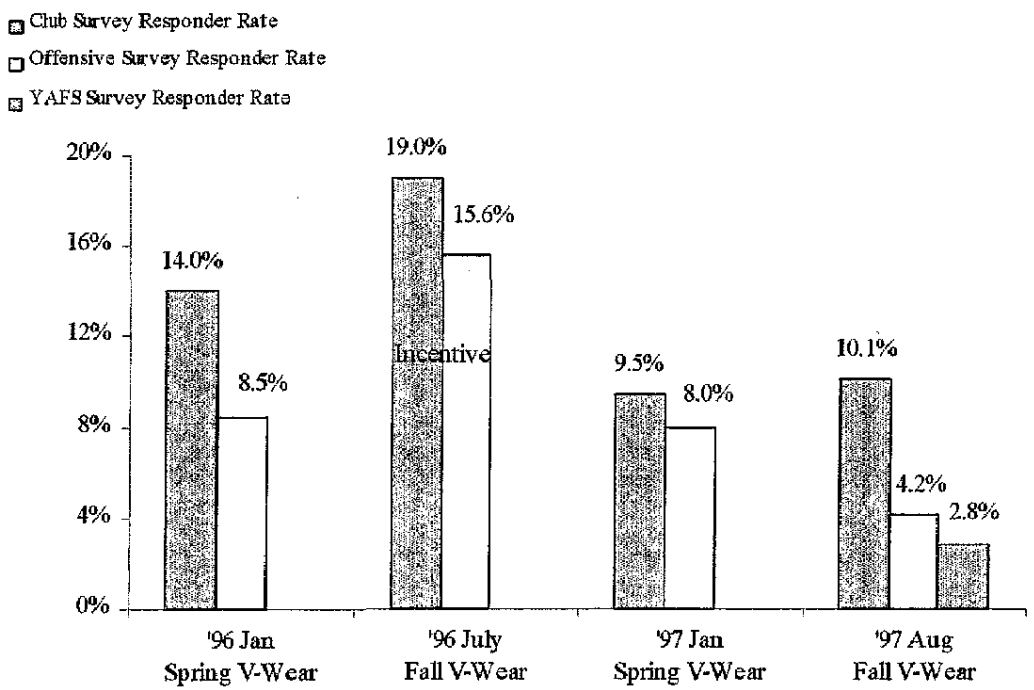
Survey Response Learnings

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Club and Offensive Survey Response

- Incentives can be effective at increasing survey response
- Club and offensive survey response has decreased in 1997
- Inclusion of YAFS as individual segment began in '97 Fall V-Wear



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Impact of Delivering Multiple Surveys

- The past three surveys have provided updated information on 208M adult smokers - Slims' typical mailing audience is 1.2MM
- Updated smoker information improves model effectiveness
- Hawaii Sweepstakes has shown the highest survey responder rate

	Responder Rate	# of Responders	# of Incremental Responders	% Responding First Time
'97 Spring V-Wear	8.8%	90,623	90,623	100.0%
'97 Fall V-Wear	7.5%	75,850	56,081	73.9%
'98 Hawaii Sweepstakes*	9.0%	88,886	61,630	69.3%
Total		255,359	208,334	81.6%

* Program results not complete

2071243460

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Summary

- Club and offensive survey response has decreased in 1997
  - Incentives can be effective at increasing survey response
- Bi-annual surveying still generates a large number of incremental survey responders
- Hawaii sweepstakes is generating a large number of new names

How to get more info from surveys
Be specific in defining the incentive for survey

2071243461

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Testing Learnings

2071243462

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Testing Issues - 1997 Fall V-Wear

- Three tests were executed in this mailing:
  - Do we need to create a separate Offensive creative for the offensive audience, or can we send the Club version to the Offensive audience?
  - Do YAFS need a special creative version?
  - Can loyalty be used to help identify Slims' Non-Responders who are responsive to direct mail offers?

- Preliminary results reviewed in late January, final results now available

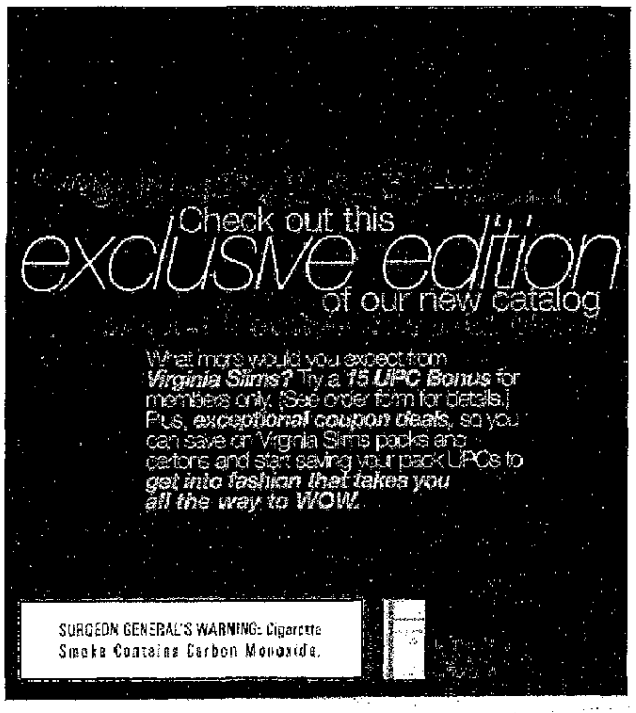
2071243463

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

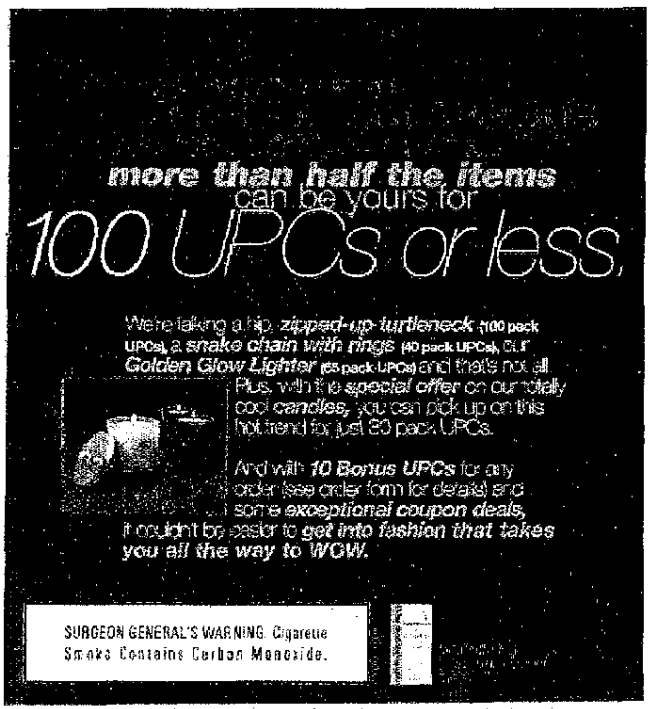
1997 Fall V-Wear Club/Offensive Creative Test

- Objective:
  - Do we need to create a separate Offensive creative for the Offensive audience, or can the Club version be mailed to the Offensive audience?
    - Offensive creative highlights low UPC items

Club Version



Offensive Version



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1997 Fall V-Wear Club/Offensive Creative Test

- Results:
  - Offensive creative outperformed the Club creative *
    - There was a 23% decrease in response to continuity for adult smokers who received the Club creative vs. those who received the Offensive creative
    - Coupon usage remained the same

	Offensive Copy	Club Copy	% Lift
Response to Continuity	0.60%	0.46%	-23%
Response to Coupons	22.7%	22.2%	-2%
Response to Survey	4.4%	3.8%	-14%
Overall Response	24.0%	23.3%	-3%

- Conclusion and Implications:
  - Decision to continue Offensive versioning is based on a comparison of small increase in Offensive continuity responders vs. increased production/creative costs
    - '97 Fall V-Wear roll-out of Club version to the Offensive mail audience would have generated 396 fewer Offensive continuity responders

* Significant at 92% Confidence Level

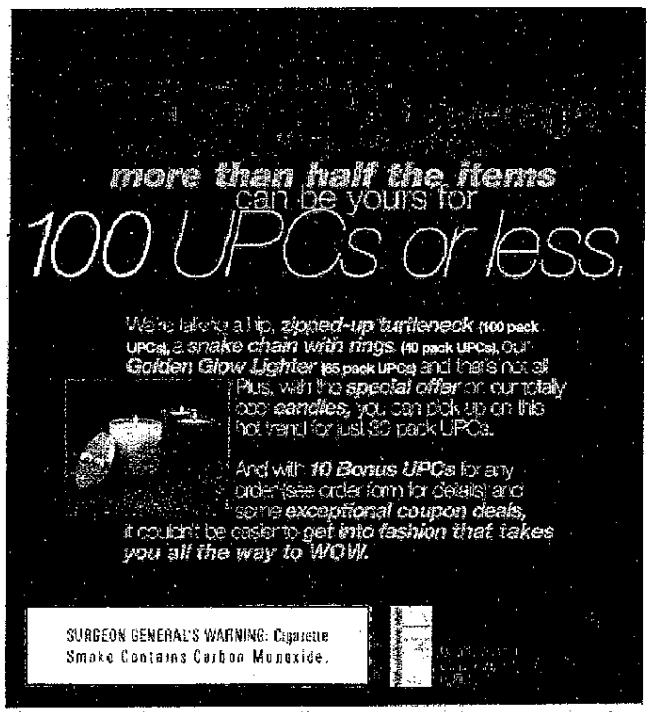
2071243465

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1997 Fall V-Wear YAFS Creative Test

- Objective:
  - Is a special creative version needed for YAFS (vs. Offensive creative)
    - Full catalog was available through a 1-800 number
    - YAFS creative highlighted low UPC candle item

Offensive Version



YAFS Version

Note: This was the first continuity mailing to YAFS

2071243466

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1997 Fall V-Wear YAFS Creative Test

- Results:
  - The Offensive version outperformed the YAFS version (100% increase), but overall YAFS continuity response is very low for both versions

	YAFS Version	Offensive Version
	Rate/# of Responders	Rate/# of Responders
Response to Continuity	.065% (44/67,396)	.141% (12/8,497)
Response to Coupons	7.30% (4,922/67,396)	4.86% (413/8,497)
Response to Survey	2.61% (1,758/67,396)	1.24% (105/8,497
Overall Response	8.81% (5,940/67,396)	5.56% (472/8,497)

- Conclusion and Implications:
  - Reconsider sending direct mail continuity to YAFS after results of '98 Spring V-Wear
  - If continuity to YAFS continues, they may not require separate creative

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* Significant at 96% Confidence Level - YAFS results include 1-800 orders

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1997 Fall V-Wear Slims' Non-Responder Test

- Objective:
  - Can loyalty be used to help identify Slims' Non-Responders who are responsive to direct mail offers?
- Results:
  - High loyal Non-Responder coupon responder rates are below those of High and Low Loyal Previous Responders/New/Switched

		Gift/Coupon Responders	New/Switched/ Other Responders	80+ Loyal Non-Responders
Deciles 1-5	Coupon Responder Rate	44%	30%	8%
	Quantity Mailed	368,837	76,359	10,000 test
Deciles 6-10	Coupon Responder Rate	10%	10%	Not mailed
	Quantity Mailed	88,032	39,065	

- Conclusion and Implications:
  - It doesn't appear that the combination of coupon and loyalty scoring can be used to help identify Slims' Non-Responders who are likely to respond
  - Slims' Non-Responders may not be a viable mailing audience

2071243468

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Menthol Smoker Tests - 1998 Spring V-Wear

- 76M competitive menthol adult smokers not previously mailed by Slims were mailed three times in Q1 1998

- Four tests are being conducted with this audience:
  (1) Are menthol trial adult smokers not previously mailed a viable audience?
  (2) Can menthol specific creative improve response?
  (3) Can menthol specific coupon cues improve response?
  (4) Will pulsed mailings to the menthol audience increase participation?

- Preliminary test results for the first two questions are available now; results from the other tests will be available in August

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1998 Spring V-Wear Competitive Menthol Test

- Objective:
  - Determine if competitive trial menthol adult smokers never mailed before by Slims are a viable audience
- Results:
  - The competitive menthol audience showed response similar to Slims' standard competitive trial audience
    - Greater percentage of menthol audience used trial offers

	Standard Competitive Trial Audience $3-C / (2)$1.50-C/4P	**Menthol Never Before Mailed Trial Audience** $3-C / B2G1F / B1G1F	% Difference
Coupon Responder Rate	9.9%	9.7%	(2%)
$3-Off Carton Coupon	3.6%	0.4%	(88%)

- Decision rule:
  - Responder rate of 10%
- Conclusion and Implications:
  - Competitive menthol trial adult smokers are a viable audience for encouraging interaction, although they may not generate much volume

2071243470

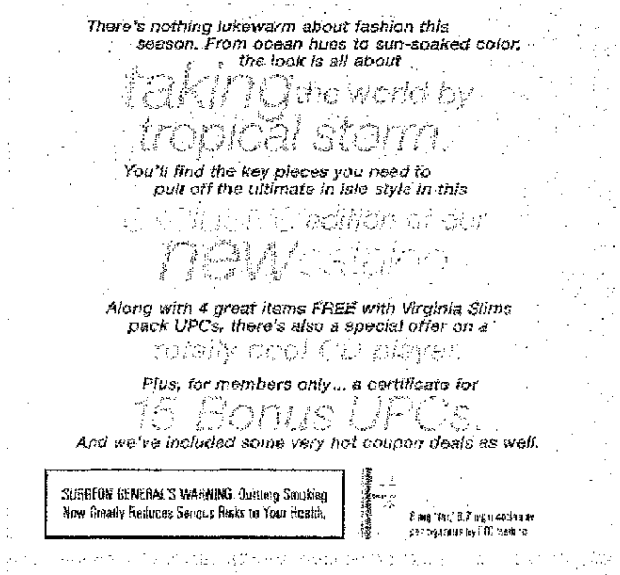
Note: Results not yet complete

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

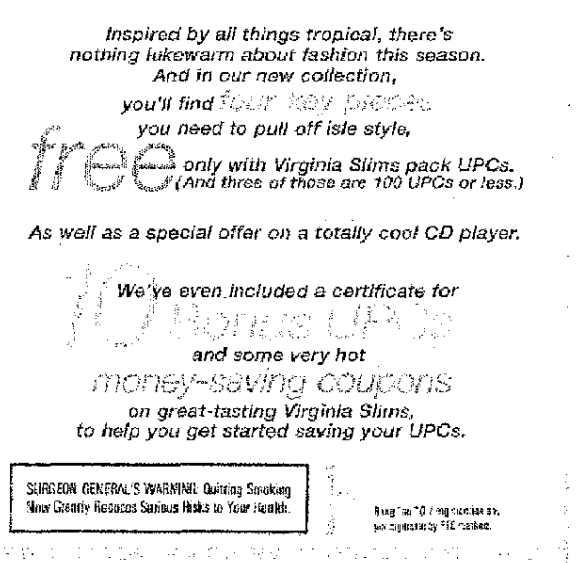
1998 Spring V-Wear Competitive Menthol Creative Test

- Objective:
  - Determine if menthol specific creative improves response among three competitive audience segments: Previous Responders, Trial, Menthol Trial
  - Menthol creative incorporated menthol cues - green tone, menthol carton/pack

Non-Menthol Offensive Version



Menthol Version



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1998 Spring V-Wear Menthol Creative Test

- Results:
  - Menthol specific creative significantly outperformed Non-Menthol creative in all audiences tested

	Competitive Previous Responders	Competitive Trial	Competitive Menthol Trial
Non-Menthol Creative	24.8%	8.1%	9.1%
Menthol Creative	26.8%	9.0%	9.7%
% Change	8%	11%	7%

- Decision Rule:
  - Incremental revenue covers additional menthol creative costs
- Conclusion and Implications:
  - Calculate financial impact of increased menthol response when results are complete - October '98

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Note: Results not yet complete

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Summary

- Creative modifications do not appear to significantly improve trial audience continuity response
  - Reconsider sending continuity message to trial audience
- Loyalty scoring did not help solve the "All Remaining" issue
- Menthol results are preliminary, but early results show that menthol creative versioning can be used to increase coupon response
- Competitive menthol trial audience is a viable mailing audience

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Name Generation

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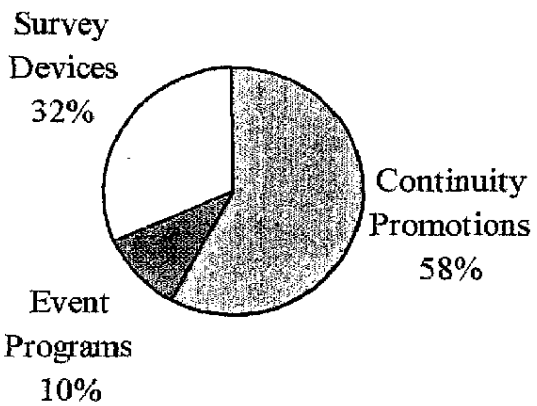
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1997 Name Generation Program Overview

- 1997 Name Generation Programs generated 63,032 new names
- The largest source of new names was continuity programs
- Almost 60% of new names are Slims adult smokers; 40% are competitive adult smokers

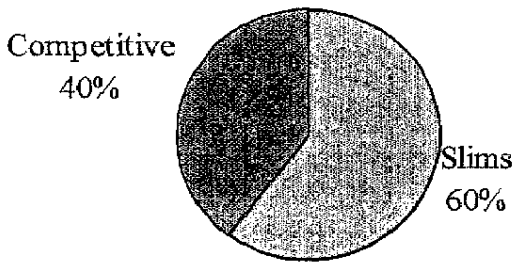
Source of New Names

63,032 Smokers



Reported Brand of New Names

63,032 Smokers



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Age and Quantity of New Smokers

- 800# order form requests and the ~~May~~ Carton Packaging Insert vehicles generated the most new names
- One-third of all names generated by Slims are age 35-44
- Music Events are strongest generator of YAF names - 33%

Program	Age							Quantity New to Database
	21-24	25-29	30-34	35-44	45-54	55-64	65+	
Continuity Programs								
Retail Catalog	4%	10%	18%	40%	18%	6%	3%	3,574
On Product Offers	5%	9%	13%	36%	21%	10%	6%	10,778
Print/FSIs	6%	11%	15%	33%	19%	11%	6%	3,130
Fulfillment Package	5%	11%	13%	34%	20%	10%	6%	2,725
TLM	6%	11%	16%	36%	18%	8%	4%	12,861
Direct Pass-Along	5%	9%	13%	35%	20%	11%	7%	3,115
Other Programs								
RAF Surveys	8%	18%	23%	26%	14%	8%	3%	4,855
Carton Packaging Name Gen Insert	4%	7%	12%	30%	21%	14%	12%	11,938
BOD Name Gen Coupon	5%	7%	10%	31%	21%	13%	13%	1,217
Retail Bouncebacks	8%	14%	18%	38%	17%	5%	1%	2,474
Legends Events	3%	7%	10%	31%	24%	16%	9%	723
Music Events	34%	32%	16%	14%	3%	1%	0%	5,642
Total	8%	12%	15%	32%	18%	9%	6%	63,032

Greatest number of new names

A high percentage of Music Event new names are YAFS

Most programs generate 35-44 year-old smokers

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Summary

- Continuity programs are the greatest source of new names for Slims
  - Within these programs 800# requests and carton inserts are the most successful

- The May Carton Packaging Insert generated more new names than any other single program
  - Consider offering more stand alone carton inserts

- Although Music Events generated very few names, two-thirds of the new names were in the age group of 21-29
  - Consider other name generation vehicles that effectively reach this segment

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Modeling

Updating Existing Models

Vulnerability Models

Data

Coupon Optimization

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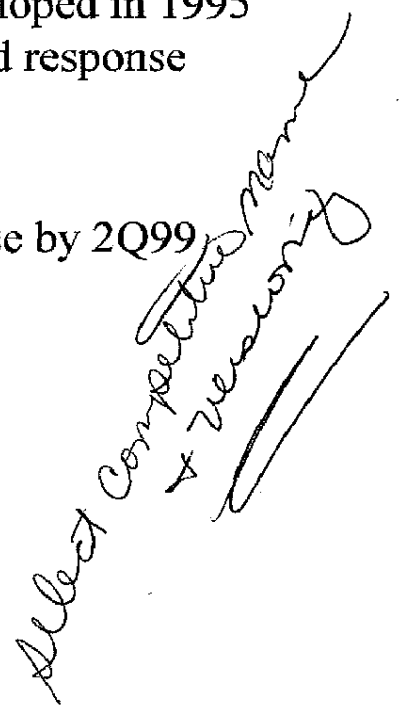
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Coupon Response Models

- The defensive and offensive coupon response models were developed in 1995 and 1996 on ASIT information (smoker survey, mail history, and response history)

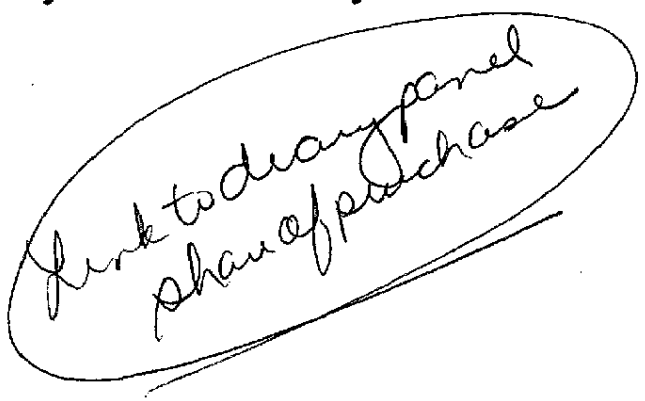
- All coupon response models will be updated and available for use by 2Q99



Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Loyalty Models

- The OPB Loyalty model has been re-estimated to only include Virginia Slims, B&H, and Merit
  - Parliament was excluded to account for the differences in continuity activity
- The new model was found to be a better fit and is being implemented in 4Q98 Merit, B&H and Virginia Slims mailings
- The existing OPB Loyalty model will only be used for Parliament

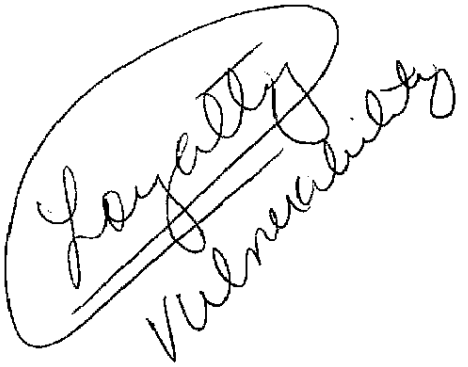


Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Objectives - Defensive Vulnerability

- The model identifies PM brand smokers most likely to purchase a competitive brand

- The model does not attempt to predict the degree of alternate purchasing



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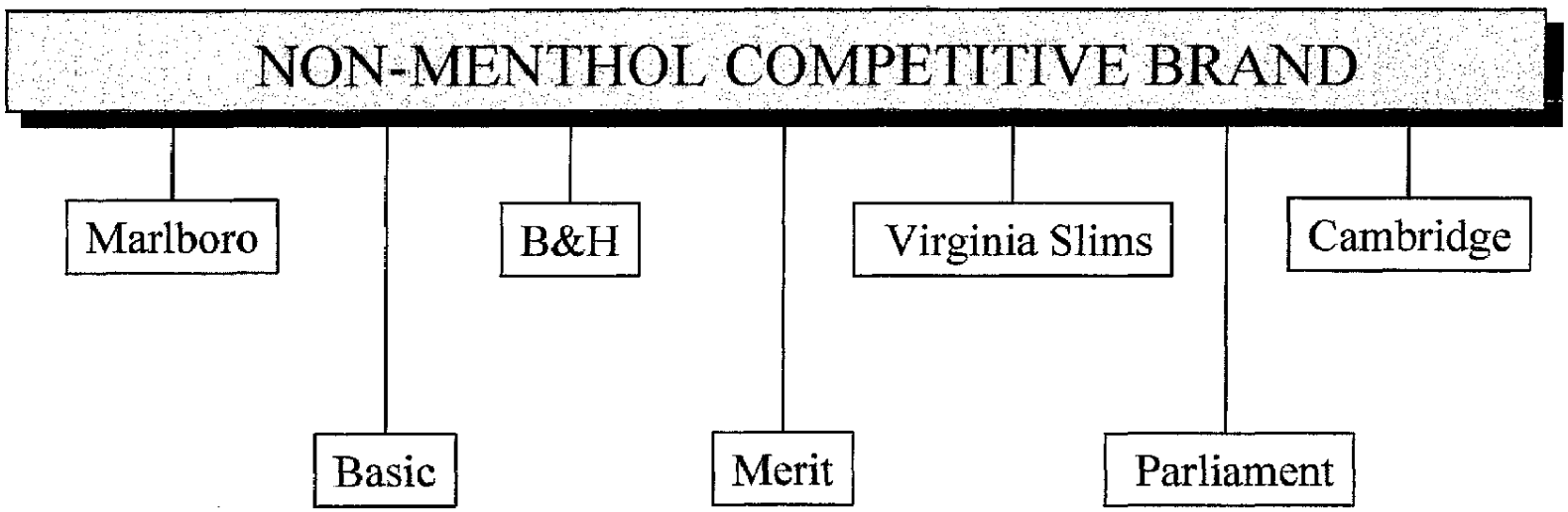
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Objective - Offensive Vulnerability

- Identifies competitive brand smokers most likely to purchase a PM brand
  - For example:



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Background

- Both Defensive and Offensive Vulnerability models have been developed on CTS tracking variables available on the Direct Mail database
- Vulnerability models have been developed at the brand family level, but separately for menthol versus non-menthol smokers
- Predictors include economic, demographic, product attributes and behavioral characteristics

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Vulnerability Models and Data

- The success of the Vulnerability models is dependent on the quality of the smoker survey data

- Only 5.4% of the database has the complete information required for the Offensive Vulnerability Model

Data Completion Rate			
	Smoker Survey in general		Offensive Vulnerability Model
Complete Information	5.2%		5.4%
Missing 1 Response	7.7%		8.7%
Missing 2 Responses	7.4%		7.5%
Missing 3 Responses	6.3%		6.6%
Missing 4 Responses	6.4%		6.5%
Missing 5 Responses	4.9%		5.7%
Missing 6 Responses	3.9%		4.7%
Missing 7+ Responses	58.2%		54.9%
total	100.0%		100.0%

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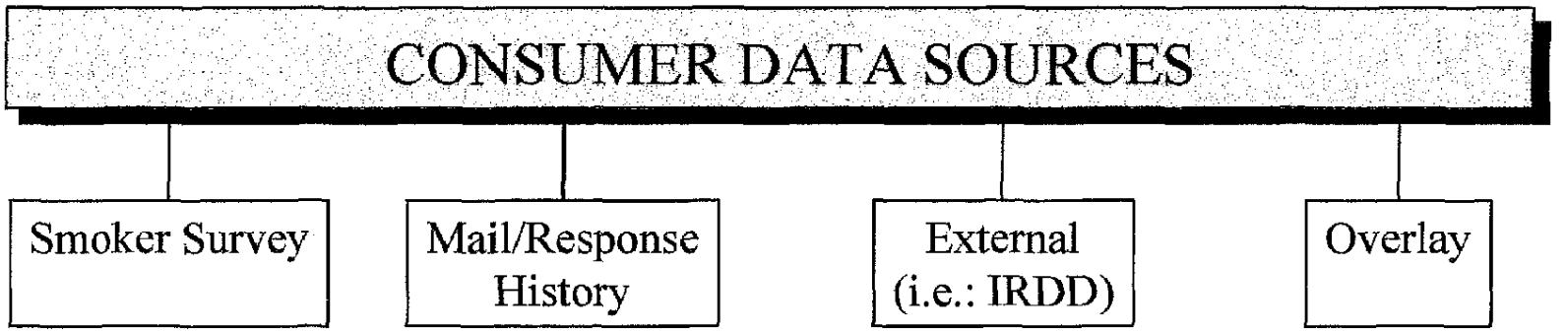
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Data Sources



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Smoker Survey

- Predictive models are dependent on the data in the smoker database
  - The more complete the data, the stronger the model
- Vulnerability models are entirely dependent on smoker survey data
- Coupon Response models also rely on this data source and would only benefit from improved data
- Need to coordinate Corporate and Brand efforts to update and enhance smoker survey information

Question	% Incomplete				
	(PM Brand)	Parliament	Merit	Slims	B&H
sample size		163	639	976	724
Flavor (Menthol/Non-menthol)	27.3%	1.8%	13.1%	21.0%	17.3%
Length	28.5%	15.3%	13.3%	33.5%	14.8%
Tar	29.7%	20.9%	25.0%	26.6%	25.6%
Buykind	30.9%	26.4%	16.7%	25.5%	31.9%
Duration	49.0%	30.1%	23.6%	36.7%	41.6%
Pack/day	55.3%	52.1%	29.9%	42.7%	46.0%
Loyalty	56.1%	42.9%	30.2%	39.9%	47.9%
Store Type	69.8%	54.0%	67.3%	60.8%	70.0%
Coupon Usage	72.3%	68.7%	47.7%	56.6%	59.3%
Packing (Soft/Hard)	75.2%	71.2%	68.2%	70.2%	73.1%
Special offer for regular brand	71.1%	58.3%	41.6%	56.4%	65.6%
Special offer for other brand	73.5%	63.2%	47.1%	60.1%	70.6%
Previous brand	54.7%	31.9%	31.1%	46.2%	47.7%
Consideration set	55.5%	37.4%	31.6%	40.7%	42.7%
Share of purchase	56.5%	52.8%	32.1%	44.0%	47.1%
Ethnicity	64.3%	54.0%	56.5%	57.8%	52.8%
Filter	0.3%	0.0%	0.0%	0.0%	0.0%

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

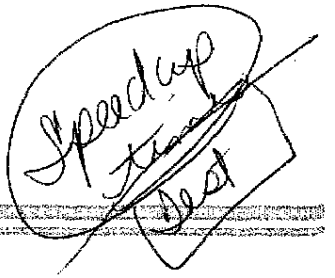
Additional Data Sources

- Overlay Data
  - Overlays also provide an opportunity to supplement the data available in the Direct Mail database

- External Data
  - Data files external to the Direct Mail database offer opportunity to improve predictive ability
  - Unlike the Direct Mail database, the external files are controllable in terms of how well the fields are populated

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Coupon Optimization Test Schedule



Coupon Optimization Test Schedule

Task	Comment(s)	Timing	Example
1. Develop Segmentation Scheme	Input from Brand required	July	
2. Identify Dependent Variable	Not just response rate	July	
3. Extract Initial Data	Assumes adequate response loaded; May 1 drop date	4 months out	1-Sep-98
4. Build COT Initial Analytical File	Get data ready for analysis	2 weeks	
5. Analyze Initial Data	Exploratory analytics (no modeling); cross tables and graphics	2 weeks	
6. Present Initial Findings to SA		1 week	1-Oct-98
7. Present Initial Findings to Brand		1 week	
8. Extract Final Data		6 months out	1-Nov-98
9. Repeat Steps 4, 5 on Complete Data		4 weeks	
10. Preliminary Model Building	Develop initial round of models	3 weeks	1-Dec-98
11. Present Preliminary Model Results to SA		1 week	
12. Refine Models	Refine and validate models	4 weeks	1-Jan-99
13. Present Final Findings to SA		1 week	1-Feb-99
14. Present Final Findings to Brand		1 week	
15. Plan Q299 Mailing	Based on Brand requirements and budgetary constraints	1Q99	
16. Evaluate Q2 Mailing Results	Identify problem areas	4Q99	
17. Adjust COT Model Parameters	As necessary	4Q99	

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Special Issues

YAFS
Ethnicity
Channeling

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

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VAFS

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

YAFS Mailing Background

- YAFS program began in Q4 1996
- 96M adult smokers were mailed a double hit
  - '96 October Magnet
  - '96 November Astrology
- Original mailing audience focused on competitive adult smokers age 25-29
  - Test segments included:
    - Competitive adult smokers age 21-24
    - Competitive adult smokers age 30-34
    - Slims adult smokers age 25-29
- A trial focused coupon package was delivered
  - $3-off Carton
  - B2G1F
  - B1G1F
- The same group of 96M YAFS received the '97 Spring Music Mailing
  - A test cell of 10M YAF Kings adult smokers was also included

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Development of YAFS Plan

- Based on learnings from the double hit, a contact strategy was developed
- YAFS audience includes competitive adult smokers age 21-29
  - Adult smokers age 21-24 responded at nearly the same rate as those age 25-29 (7% vs. 8%)
  - Adult smokers age 30-34 responded at a higher rate and do not appear to require such rich offers
  - Slims adult smokers also responded at a higher rate
- YAFS are deciled with the Offensive audience, then placed in their own ASG grid
  - Typical audience selection includes:
    - All Volume Responders
    - All smokers new to the Database
    - Top five deciles of other ASG columns

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

YAFS Audience Flow

- An audience flow/contact strategy was developed
- Responders receive a less rich coupon package
  - 17M smokers meet this criteria

Trial Package	Responder Package
$3 off Carton	$3 off Carton
B2G1F	B2G1F
B1G1F	$1 off 3 packs

- Adult smokers who respond to the $1off 3 packs coupon can be moved into the standard offensive audience
  - There are now 3M adult smokers who meet this criteria
- Smokers who have been mailed five times and have not responded will no longer be mailed
  - 25M adult smokers meet this criteria

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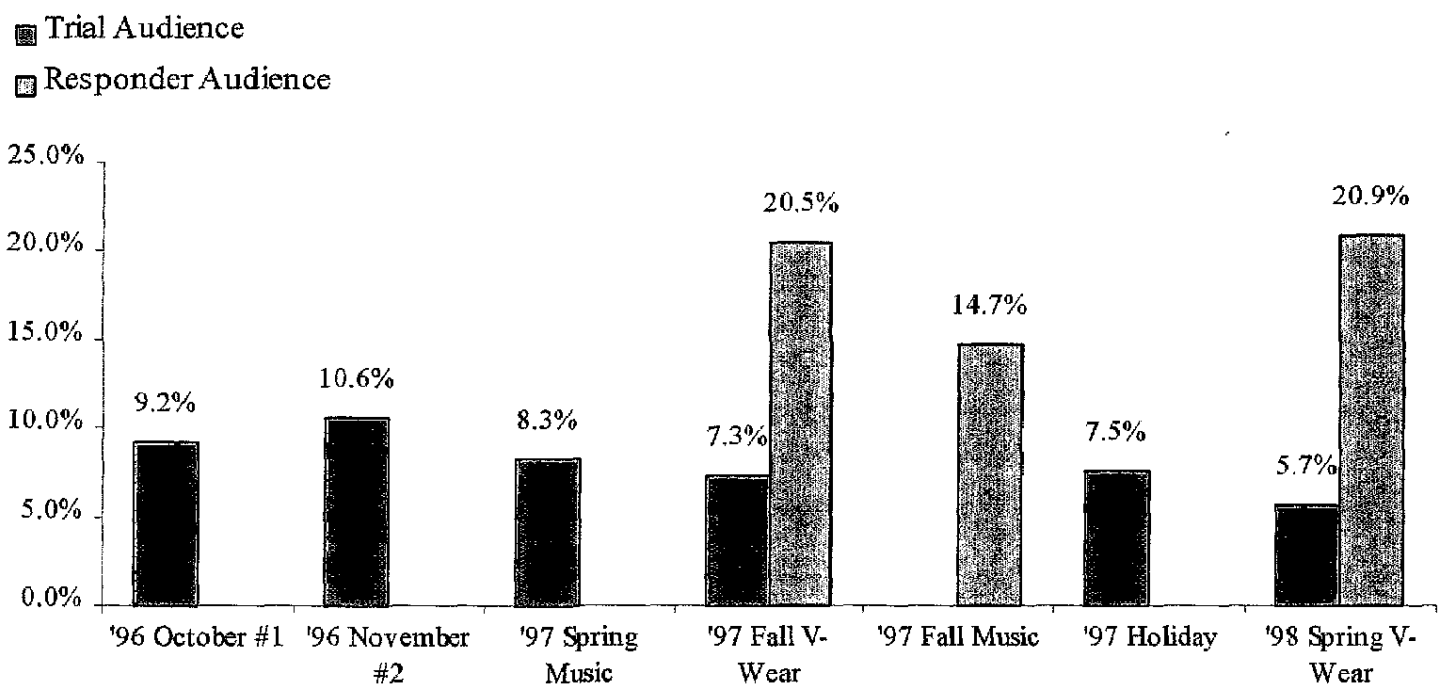
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

YAFS Coupon Responder Rates

- Not surprisingly, YAFS volume responders exhibit a higher coupon responder rate than the trial audience



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

YAFS Number of Times Mailed

- 171M YAFS have been mailed 585M pieces over nine mailings
- Since the '97 Fall V-Wear mailing the audience has been relatively stable

	Program	Quantity Mailed	A/Q Today	Qty Mailed Previously	Qty Receiving First Mailing
Test Audience	'96 October #1	96M	70M	-	70M
	'96 November #2	96M	70M	70M	-
	'97 Spring Music	102M	69M	69M	-
Established YAFS Contact Strategy	'97 Fall V-Wear	85M	71M	27M	44M
	'97 Fall Music	6M	5M	5M	-
	'97 Holiday	85M	75M	55M	20M
	'98 Spring V-Wear	105M	92M	67M	25M
	'98 Hawaii Sweeps	63M	56M	54M	2M
	'98 April Entertainment	84M	77M	67M	10M

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Ethnicity

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

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Ethnicity Profile

- Database known ethnicity has improved since '97 Fall V-Wear

Ethnicity	'97 Fall V-Wear		'98 Fall V-Wear	
	Number Mailed	% of Audience	Number Mailed	% of Audience
Anglo	456M	39%	647M	51%
Asian	5M	0.4%	6M	0.5%
African-American	26M	2.2%	30M	2.3%
Hispanic	10M	0.8%	12M	0.9%
Native American	5M	0.4%	5M	0.4%
Other	6M	0.5%	10M	0.8%
Unknown Ethnicity	670M	57%	562M	44%
Total	1,178M	100%	1,271M	100%

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Ethnicity of Mailing Universe

- Ethnicity is known for 39,473 Hispanic adult smokers and 109,898 African-American adult smokers
  - Includes all remaining and lower deciles

Ethnicity of Slims Mailing Universe

	Slims Adult Smokers		Slims' Competitive Universe*	
Anglo	425,617	37%	645,689	30%
Asian	6,620	1%	4,678	0%
African-American	32,781	3%	77,117	4%
Hispanic	15,065	1%	24,408	1%
Native American	3,775	0%	9,505	0%
Other	7,213	1%	13,056	1%
Unknown Ethnicity	671,014	58%	1,385,258	64%
	1,162,085	100%	2,159,711	100%

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*Slims' Competitive Universe includes non-PM female smokers age 21-64, 100s, 120s, and unknown length

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

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Multibrand Channeling

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Multibrand Channeling Process

- Beginning in the 1998 June Direct mailing, Multibrand handraisers will be channeled into Slims
  - This is an opportunity segment, because these adult smokers have expressed an interest in Slims
- Adult smokers will be channeled into Slims based on check-box information if they meet the following criteria:
  - Only raised their hand to Slims
  - Raised their hand to Slims and one other brand, but only to Slims on coupons
  - Raised their hand to Slims and one other brand on coupons or surveys, and most recently to Slims
- Initial populations available to channel to each brand are

Merit	93M
B&H	80M
Slims	61M
Parliament	20M

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- Although 61M adult smokers were available, Slims chose to only mail female adult smokers in June Entertainment (38M)
- Channeled populations will be refreshed as Multibrand mailings are delivered and responses loaded

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Channeling Process

- Multibrand check box responders will be channeled according to the following criteria:
  - Multibrand survey and coupon check box responders are eligible for channeling to one of the OPBs
  - Channeled adult smokers will be mailed by the individual OPB for six months
    - At least two mailings
  - If check box responder responds to OPB, responder will remain in Brand audience
    - If response stops, adult smoker will return to Multibrand audience after 24 months and will no longer be channeled
  - If adult smoker does not respond to OPB, adult smoker is eligible for Multibrand and OPB mailings as determined by audience selection criteria and will no longer be channeled

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Coupon Scoring of Channeled Smokers

- Multibrand handraisers channeled into Slims are scored and deciled with other competitive adult smokers, then placed in their own ASG
- Initial channeled adult smokers will be mailed at least twice beginning with the June Entertainment and Holiday Volume mailings

	A		B		C		D	E	F	G	H	
	A1	A2	B1	B2	C1	C2						
	VOLUME RESPONDERS						Other Responders	Newly Channeled Never Mailed	Mailed Non-Responders			TOTAL
	Gift Only		Gift and Coupon		Coupon Only				Received One Mailing	Received Two Mailings Last Mailed 0-6 Months	All Remaining	
Decile	0-12 Months	13-24 Months	0-12 Months	13-24 Months	0-12 Months	13-24 Months	0-12 Months					
1	30	6	254	12	2,750	107	106	6,501	0	0	0	9,766
2	48	18	69	8	914	133	164	8,571	0	0	0	9,925
3	21	5	9	3	264	70	76	5,479	0	0	0	5,927
4	13	6	2	3	112	28	23	4,795	0	0	0	4,982
5	5	3	0	0	55	12	4	2,899	0	0	0	2,978
Subtotal	117	38	334	26	4,095	350	373	28,245	0	0	0	33,578
6	0	0	0	0	13	1	0	1,158	0	0	0	1,172
7	0	0	0	0	5	0	0	305	0	0	0	310
8	0	0	0	0	0	0	0	35	0	0	0	35
9	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	18	1	0	1,498	0	0	0	1,517
Total	117	38	334	26	4,113	351	373	29,743	0	0	0	35,095
al Population	0.3%	0.1%	1.0%	0.1%	11.7%	1.0%	1.1%	84.7%	0.0%	0.0%	0.0%	100.0%

Typical mailing audience includes responders, newly channeled, and channeled smokers who received one mailing

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1999 Planning Discussion

Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

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Virginia Slims 1999 Brand Objectives

- Objectives
  - Grow share
  - ~~Stabilize median age~~

- Strategies
  - ~~Stabilize~~ Maintain existing franchise
    - Insulate most vulnerable smokers
    - Reward loyal smokers
  - Build trial audience
    - YAFS
    - Ethnic adult female smokers (African American, Hispanic)
  - ~~Expand opportunity markets~~
  - Brand conversion

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1999 Planning Discussion

- 1999 Business Environment - continuity, price increases, budget
- Mail frequency - mailings to be executed in '99
  - BOD, V-Wear, Holiday Volume
- Direct Mail in-home timing
  - Support of Slims' retail efforts
  - Defend against Marlboro retail
- Segmentation/offer optimization
  - YAFS/menthol into offensive audience
- Offensive smoker targeting
  - Region, competitive brand in-switchers

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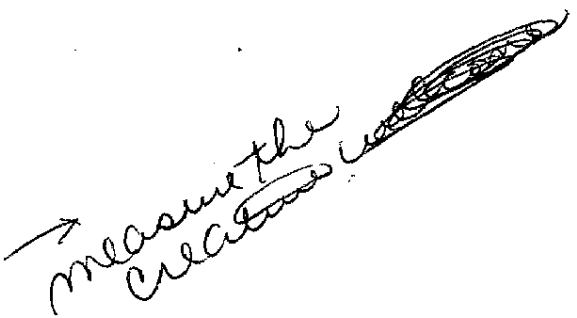
Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

1999 Planning Discussion

- Offers - still competitive?
  - Rich competitve offers
  - Industry price increases
- Direct's role in trial and ethnic audiences
- Use of Direct to support OOH reduction
- Name generation/updated data
  - Surveys, RAF, Events, Catalina



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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004

Next Steps

- Incorporate results and findings into a '99 mailing plan
  - Initial discussion - 7/28
  - Final recommendations - 8/7

- Review additional results and develop test plan deck in 4Q98

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Source: https://www.industrydocuments.ucsf.edu/docs/gslm0004